

E. DISBURSEMENT

4.22 The activities financed under the proposed credit are expected to be completed within four and a half years by December 31, 2000; with all disbursements made by June 30, 2001. The estimated disbursement schedule is given in Annex 5-5.

4.23 Table 4-3 gives the categories and amounts to be financed out of the proposed IDA credit, and the disbursement percentages in each category.

**Table 4-3. Allocation and Disbursement of the IDA Credit
(US\$ million)**

Categories of Expenditure	Amount	Percentages of Expenditure to be financed
1. Civil Works	11.0	100% of foreign; 90% of local expenditures
2. Goods (roofing sheets, instructional materials, vehicles/equipment)	8.2	100% of foreign; 90% of local expenditures
3. Operating Costs ^{/a} for		
(a) Staff redeployment	2.0	95%
(b) Others	1.7	50%
4. Consultancies/Studies	1.9	100%
5. Training	10.8	100%
6. Unallocated	14.4	
TOTAL	50.0	

Note: ^{/a} See Table 4-1, footnote (c).

4.24 **Special Account.** To facilitate project implementation and reduce the volume of withdrawal applications, a Special Account will be opened in US Dollars in a commercial bank on terms and conditions acceptable to IDA. The authorized allocation amounts to US\$2.5 million and covers about four months of eligible expenditures. Upon effectiveness, an amount of \$1,250,000, representing 50 percent of the authorized allocation, will be deposited in the Special Account. The remaining balance will be made available when the total amount withdrawn from the credit account and/or special commitments issued amount to SDR 5.0 million. The Special Account will be used for all payments below US\$500,000. Replenishments would be submitted monthly. All replenishments are fully documented except for: (a) contracts of less than US\$250,000 for civil works and goods, (b) contracts of less than US\$100,000 for consulting services - firms, (c) US\$50,000 for consulting services - individuals, and (d) operational costs which would be claimed on the basis of Statements of Expenditure (SOEs). All supporting documentation for SOEs will be retained for review by periodic Bank supervision missions and external auditors. Overall responsibility for credit disbursement and financial management of the

Special Account will rest with the PMU. All disbursements are subject to the conditions of the Development Credit Agreement and the procedures defined in the Disbursement Letter.

F. ACCOUNTING, AUDITING, AND REPORTING

4.25 MOE/GES Accounts. Systems will be installed to ensure compatibility between the accounting for Government receipts for and outlays in basic education, from all sources. Given that BESIC is an across-the-board underpinning to the FCUBE program, the Government will make available to IDA, on a regular basis, financial management details of the consolidated Program Accounts for the education sector as a whole, so that a "part-whole" appreciation of trends can be maintained.

4.26 In the interests of transparency and financial harmony, all accounts of the entire basic education sector (notwithstanding the source of funds) will be maintained by a commonly agreed method and at internationally accepted standards. By June 30 of each year, MOE/GES will present to IDA and other participating donors in FCUBE an independent auditor's report (management report and audited financial statements) for all program accounts - including those for Government funds, BESIC and other donor contributions from the preceding academic/calendar year.

4.27 Following previous routine audits, IDA has raised concerns about aspects of the financial management and cash flow of existing education projects. The recommendations made during the course of these financial audits have been helpful to MOE and will be incorporated into the management of the planned program. The MOE will also move progressively from a line item budget to a program budget during this initiative. This shift should result in more discretionary funds being available within the overall MOE/GES budget. Financial management workshops are planned for District Directors of Education and accounting personnel, with training to be provided on guidelines stemming from the audit recommendations. Shortlisting of independent auditors for FCUBE/BESIC, under terms and conditions acceptable to IDA will be a condition of Credit effectiveness.

G. PROGRAM BENEFITS AND RISKS

Program Benefits

4.28 Improved Basic Education Sector Outcomes. The quality of Ghana's basic education will improve in general, especially in terms of better teaching/learning outcomes. Government/donor/community cooperation and collaboration will be enhanced, and some more common procedures will be developed, because of the "holistic" nature of the Integrated sector approach (SIP) approach. The MOE's capacity to plan, manage, and monitor a range of complementary inputs to enhance quality and access will be strengthened. The GES will adopt new systems of assessing school performance and rewarding/sanctioning staff. Capacity for more effective curriculum utilization will be enhanced. Pre- and in-service teacher education will be revolutionized. The operation of the whole system, including individual schools, will become more gender sensitive. Communities will come to play a more influential and responsible role in the management of the schools, leading to greater school effectiveness. The synergistic effect of the various components will increase net impact.

4.29 Gains from Improved Efficiency. FCUBE/BESIC will produce efficiency gains both at management and school levels. Review and reorganization of the MOE and GES institutional structure, while developing an effective EMIS, will substantially reduce the waste and duplication in resource use. This will enable MOE to reallocate more resources to much needed schooling improvement activities. At the school level, reduction in dropout and repetition rates by 10 percent annually, together with efforts to raise the P1 intake rate from the present 82 percent to 94 percent by the year 2000, will allow 164,000 more pupils to study at public primary schools and produce 33,000 more public JSS graduates during 1996-2000 than would be the case without FCUBE.

4.30 Impact on the Poor and Girls Participation. A community with inadequate basic education services and with low school learning outcome generally has a low demand for education. FCUBE/BESIC has policy and program components to target funds to the poorest and educationally most disadvantaged communities, and to raise awareness of the need and benefits of education in such communities. The DACF is allocated by the Government having regard to poverty, equity and needs criteria. To complement this, FCUBE will target supplementary resources. For example, when new schools are built with MOE subsidies, priority will be given to relatively poor communities with lower enrollment, especially girls participation, where financial capacity is low but the effort being made is fair. Teacher housing will be available with subsidized rent in areas where incentives for teachers to serve are adverse. JSS pupils or their families who are judged by a transparent process to be needy may receive some public financial support during their period of basic schooling. These combined with a demand-stimulating IEC campaign will enable more girls and poor children to go to school who otherwise would not benefit from Ghana's basic education service.

4.31 Economic benefits of investment in basic education. The economic benefits of this basic education improvement program can be expressed by the rates of return to investment in education. Based on 1992 household survey data in Ghana, the private rate of return to investment in primary education compared with no education is estimated at 28 percent, suggesting that if \$1,000 is invested in primary education, there will be an annual private benefit of about \$280 over the lifetime of the average primary school graduate, above what the same person would have earned without attending school. Similarly, the social rate of return to primary compared with no education has been found to be about 19 percent. The private rate of return to secondary education over primary schooling is about 12 percent and the social rate of return is 10 percent. The gap between private and social returns is explained by the public subsidization of education. Subgroup analysis shows that at both primary and secondary levels, girls in Ghana have a higher rate of return than boys, justifying targeted intervention to promote more girls' participation. Further details on cost-benefit analyses shown in Annex 3-3 suggests that investment for expansion of good quality basic education will have a high private and public payoff.

4.32 With respect to the economic benefits of the quality of basic education, international evidence suggests that the economic benefits of education are greater when a critical minimum of education attainment across the population has been achieved. Cross-country macroeconomic studies analyzed by the Bank have shown that the average educational attainment of the population has a strong positive effect on economic growth, with one year of additional schooling of the labor force possibly leading to as much as a 9 percent increase in the domestic output for the first three years of schooling and to 4 percent a year for the next three years.

Program Risks

4.33 There are three main risks concerning the effectiveness of this operation. First, changing teachers' attitudes towards working seriously will take time and thus quality improvements in the classroom may not take place as rapidly as would be desirable. Second, the Government could be overstretched in the early stages of the program as it manages simultaneously the full range of necessary interventions in the basic school system. Third, despite the intervention targeting the poor, parents in economically deprived and educationally backward districts may still be unwilling to send their children to school because of high direct and indirect costs. The first risk will be mitigated through a continuous participatory and consultative process during which all parties will come to clearly understand their respective roles and responsibilities; and the consequences of certain behavior. Furthermore, communities (through SMCs) will assume some responsibility for recommending the rewarding or sanctioning of teachers. More effective school level supervision and generating sense of partnership among all key players for improving schooling also have crucial roles to play in this issue. The second risk will be minimized by ensuring that the early years of the program focus on a manageable package of the highest priority items; that the foreshadowed administrative restructuring and institutional strengthening proceeds on schedule; and that ongoing Government/community/donor consultation becomes firmly embedded in the implementation process. For the third risk, Government/MOE will develop special arrangements such as compensatory resource transfers to clusters of disadvantaged schools. Further, as an experimental measure, non-conventional approaches to basic education, with more flexible access and delivery arrangements and reduced cost impact on families, will be introduced.

Poverty Category

4.34 Focusing on issues of quality, efficiency and equity, the proposed operation will particularly benefit the less advantaged groups of the Ghanaian population: the urban and rural poor; and girls. It would thus be included in the Program of Targeted Interventions.

Environmental Aspects

4.35 This operation will include limited small scale construction activities, none of which will have significant negative environmental or social impacts. In conformity with OD 4.01, this is a category C project requiring no further environmental analysis.

5. AGREEMENTS TO BE REACHED AND RECOMMENDATION

5.1 During negotiations, the Government reached agreement with IDA on:

- (a) a draft Letter of Basic Education Sector Development Policy, outlining the Government's policy priorities, commitments and targets for the period 1996-2005 (para. 3.1);
- (b) a draft Operational Rolling Plan, including key performance indicators, with specific arrangements for activities to be carried out in 1996-98 (para. 3.2);

- (c) a Sector Financing Plan reflecting all costs and sources of financing for the education sector, in particular the basic education subsector (para. 3.30);
- (d) the management structure for the program, including the establishment of the Implementation Overview Committee and the Consultative Panel involving participating donor representatives (para. 4.3-4.9);
- (e) semi-annual review meetings in January/February and June/July each year, convened by the Government with the Consultative Panel, with the June/July 1998 meeting constituting a Mid-Term Review (para. 4.13);
- (f) Government commitment to delegate, progressively from the beginning of 1998, financial management discretion to designated districts having viable education plans and administrative systems (para. 3.16);
- (g) draft terms of reference for key long-term and short-term consultants (para. 4.17).
- (h) a schedule for key procurement steps (para. 4.18); and
- (i) a time-bound action plan for the design and implementation of EMIS (para. 3.14).

5.2 As a condition of Board presentation, the Government will have

- (a) adopted a Basic Education Sector Development Policy statement satisfactory to IDA (paras. 3.1 and 5.1 (a)); and
- (b) established an Implementation Overview Committee, comprising members drawn from the MOE/GES Management Team, MOF, MLGRD, NIRP, CSPIP and GNAT, which will meet regularly to advise on implementation issues (para. 4.4).

The first condition has already been met as of the date of this report, and the final Letter of Basic Education Sector Development Policy is included in Annex 4.

5.3 As a condition of Credit effectiveness, the Government will have:

- (a) submitted to the Association the Operational Rolling Plan for 1996-98, to the satisfaction of IDA (para. 3.2); and
- (b) shortlisted independent auditors for BESIC, under terms and conditions acceptable to IDA (para. 4.27).

5.4 Subject to agreement to the above, the proposed program will constitute a suitable basis for an IDA credit of SDR 34.7 million (US\$50.0 million equivalent) to the Republic of Ghana on standard IDA terms with a maturity of 40 years.

ANNEX 1
Basic Data Sheet

ANNEX 1: Basic Data Sheet

Indicators	Data	Year	Source
A. Social Indicators			
1. Total population estimate (thousand)	16,446	1993	a
2. School-age population as % of total pop.	32	1990	c
3. Average annual growth rate of population	3.1	mre	a
4. Average annual growth rate of school-age pop.	3.4	1990-95	c
5. % of population below poverty line (32,981 cedis)	43.0	mre	a
6. Total fertility rate (births per women)	5.9	mre	a
7. Infant mortality rate (per 1,000 live births)	79.4	mre	a
B. Economic indicators			
1. GDP (in billion cedis, current price)	5186.3	1994	e
2. Average real growth rate of GDP	4.2	1991-94	e
3. GDP per capita (US\$)	322.7	1994	e
4. Average growth rate of GDP per capita	1.1	1991-94	e
C. Education Indicators			
1. Gross Enrollment ratios (% of school-age pop.)			
Primary--total	78.0	1993	b
Primary--Female	71.7	1993	b
Junior Secondary--total	60.9	1993	b
Junior Secondary--Female	51.4	1993	b
GER for 6-23 age group	45	1991	c
2. Efficiency indicators			
Student/teacher ratio			
Primary	29	mre	a
Junior Secondary	19	mre	a
Dropout rates (% per year)			
Primary	3.3	1992	b
Junior secondary	7.2	1992	b
Repetition rates			
Primary	3.2	1992	b
Junior secondary	1.2	1992	b
Pupils reaching grade 6 (% of cohort)	77	1989 thru 93	b
Illiteracy rates (% of age 15+ pop.)	40	mre	a
Female (% of female age 15+ pop.)	49	mre	a
3. Education expenditure			
Average public education spending as % of GDP	4.6	1991-94	d
Average public education expenditure as % of public expenditure (discretionary)	38.8	1991-94	d
Share of MOE recurrent budget			
Primary education	39.2	1996	b
Junior secondary education	19.5	1996	b
Senior secondary education	22.1	1996	b
Vocational/technical education	1.6	1996	b
Teacher education	5.4	1996	b
Tertiary education	12.2	1996	b

Note: 'mre' means most recent estimate of the single year between 1988 and 1993.

Sources:

- Social indicators for development 1993*, World Bank
- MOE, 1995
- A statistical profile of education in sub-Saharan Africa, 1990-1993*, DAE
- Government of Ghana, World Bank staff estimates.
- Ghana Country Economic Memorandum*, World Bank, May 1995, Table A1, A2 & A7; Quarterly Digest of Statistics, Ghana Statistical Service, March 1993, Tables 40 & 42.

ANNEX 2-1
Participation Indicators

Table 2-1-1. Participation in Public and Private Schools, 1989-94

Year	Total enrollment	Public (%)	Admission rate (%)	GER (%)	Retention rate* (%)
Primary (Age 6-11)					
1989	1,805,258	94	83.3	76.4	67.1
1990	1,945,422	93	93.5	79.3	75.4
1991	2,011,602	90	89.4	79.1	78.6
1992	2,047,293	90	85.5	77.6	80.6
1993	2,135,421	90	85.5	78.0	84.3
Junior Secondary (Age 12-14)					
1989	625,018	100	57.3	51.5	78.7
1990	569,343	100	60.4	54.5	83.5
1991	605,760	98	62.4	56.3	84.6
1992	644,976	98	63.4	58.2	84.4
1993	694,724	94	67.2	60.9	85.9

Source: MOE (1995).

Note: Retention rates refer to proportion of cohort reaching final grade. The retention rates for 1989 and 1993 are based on the enrollments in public schools only. Enrollment figures covers both public and private schools.

ANNEX 2-2
Efficiency Indicators

Table 2-2-1. Repetition, promotion, and dropout rate by grade:
1990/91-1992/93 (Public only)

	Repetition rate (%)			Promotion rate (%)			Dropout rate (%)		
	90/91	91/92	92/93	90/91	91/92	92/93	90/91	91/92	92/93
Primary									
1	6.2	5.7	5.5	81.9	87.0	87.5	11.9	7.3	7.0
2	3.0	3.5	3.5	90.3	93.1	95.8	6.7	3.4	0.7
3	2.3	2.7	3.0	91.9	93.8	95.1	5.8	3.5	1.9
4	1.8	2.3	2.5	91.3	92.8	93.8	6.9	4.9	3.7
5	1.5	1.9	2.2	93.0	95.2	94.9	5.5	2.9	2.9
6	1.6	2.1	2.5	93.9	95.0	93.9	4.5	2.9	3.6
Primary Ave.	2.7	3.0	3.2	90.4	92.8	93.5	6.9	4.2	3.3
Jr. Secondary									
JS1	1.3	1.1	1.2	89.8	92.6	92.2	8.9	6.3	6.6
JS2	1.7	1.7	1.7	87.6	90.5	90.6	10.7	7.8	7.7
JS3	0.9	0.9	0.9						
JS Average	1.3	1.2	1.2	88.7	91.6	91.4	9.8	7.1	7.2

Source: MOE (1995)

Table 2-2-2. Efficiency indicators: 1989-1993 (public only)

Year	Average school size	Average class size	Pupil/teacher ratio	Teacher/class ratio	Class/classroom ratio	% of classes without classrooms
Primary						
1989	173	28	27	1.02	1.24	19.2
1990	170	28	29	0.99	1.24	19.6
1991	162	28	27	1.01	1.24	19.4
1992	164	27	30	0.90	1.28	21.8
1993	168	27	31	0.89	1.28	-
Junior Secondary						
1989	122	27	15	1.80	-	-
1990	111	32	15	2.11	-	-
1991	115	33	15	2.25	-	-
1992	123	33	16	2.03	0.75	17.2

Source: MOE (1995).

ANNEX 2-3
Student Achievement Indicators

Table 2-3-1. Criterion-Referenced Test Results on English and Mathematics for the 6th-Grade Students, by Region, 1994 (public only)

Region		Mean score (%)	S. D.	% of pupils reaching the criterion score of 60% of the total score
Ashanti	English	27.8	7.6	0.6
	Math	26.4	8.0	0.2
B/Ahafo	English	29.1	8.7	1.6
	Math	27.0	8.7	1.1
Central	English	28.1	7.6	0.9
	Math	25.8	8.2	0.4
Eastern	English	29.5	9.2	1.6
	Math	26.5	8.5	0.8
G/Accra	English	40.5	15.5	13.4
	Math	32.3	11.5	4.9
Northern	English	33.0	11.4	4.4
	Math	28.7	9.5	1.3
Upper	English	33.9	11.9	4.8
	Math	29.4	11.1	3.6
Upper West	English	26.1	6.3	0.0
	Math	22.8	8.5	0.0
Volta	English	31.5	11.0	3.4
	Math	28.5	9.7	1.6
Western	English	30.7	9.6	1.9
	Math	28.3	10.0	1.9
Total	English	31.0	11.0	3.3
	Math	27.7	9.5	1.5
Boys	English	31.1	10.9	3.2
	Math	28.3	9.7	1.6
Girls	English	30.9	11.0	3.4
	Math	26.9	9.3	1.3

Source: MOE (1995).

Note: Criterion referenced tests were administered for 6th grade primary students at 336 schools, with some 8800 pupils.

Table 2-3-2. Student Achievement on the Basic Education Certificate Examination Administered for Students at the End of Junior Secondary Education, 1991-94

Year	No. of candidates	% of students passed
1991	149,038	81.4%
1992	165,359	83.8%
1993	181,824	84.2%
1994	198,782	84.8%

Source: MOE (1995).

ANNEX 2-4
System Outcome Indicators

Table 2-4-1: System Outcome Indicators: 1991-1994 (public only)

Year	Completion rate for 6-year primary education (%)	Completion rate for 3-year junior secondary education (%)	Completion rate for 9-year basic education (%)	Transitional (pass) rate of primary school graduates to junior secondary school (%)	Transitional (pass) rate of junior secondary school graduates to senior secondary school (%)
1991	70.0	82.8	50.5	96.8	35.3
1992	70.1	82.8	51.0	93.9	33.8
1993	72.1	82.6	54.3	95.0	34.8
1994	75.4	82.4	56.8	94.5	-

Source: MOE (1995).

Notes: Completion rate is the ratio between the number of students in the final grade of the cycle, grade 6 in primary and grade 3 in junior secondary in a given year T and the number of students entered grade 1 in year T-6 and T-3 for primary and junior secondary respectively.

ANNEX 2-5
Teacher Quality Indicators

**Table 2-5-1. Teacher quality indicators, 1990-1994
(Both public and private schools)**

Year		Total No. of Teachers	% of trained teachers	Student/trained teacher ratio
1990/91	Primary	64,443	66.1%	46
	JSS	39,506	59.0%	24
1991/92	Primary	69,933	73.4%	39
	JSS	42,249	58.1%	25
1992/93	Primary	64,762	76.7%	41
	JSS	39,569	64.4%	25
1994/95	Primary	70,597	69.4%	44
	JSS	43,107	65.9%	24

- Notes: 1) Total number of teachers includes National Service Personnel working as teachers and craft instructors.
- 2) Trained teachers are defined as those teachers who received pre-service training from a Teacher Training College.

ANNEX 2-6
Manpower Indicator

**Table 2-6. Ghana Education Service Manpower Statistics, May 1994
Teaching and Non-teaching Staff by Level**

Level	Teaching Staff	Non-Teaching Staff	Total
Kindergarten	18,028	766	18,794
Primary	62,608	816	63,424
J.S.S.	30,580	1,015	31,595
Technical	779	786	1,565
S.S.S.	10,851	12,831	23,682
Training Colleges	946	1,436	2,382
Polytechnics	447	327	774
Diploma Colleges	57	91	148
Education Unit Offices	502	715	1,217
District Offices	3,867	2,219	6,086
Regional Offices	453	644	1,097
Headquarters	222	358	580
Study Leave	3,512	40	3,552
Total	132,852	22,044	154,896

Source: MOE.

ANNEX 3-1
Expenditure Analysis

Table 3-1-1: Public Expenditure on Education in Ghana, 1991-94

	(In constant 1994 price, million cedis)			
Resources and Expenditures Indicators	1991	1992	1993	1994
GDP	4,581,395	4,760,726	4,998,765	4,950,379
Total public expenditure	625,649	808,248	1,001,437	1,156,762
Total public recurrent expenditure	469,242	590,598	765,924	833,152
Public recur. expend (discretionary, including only item 1-5 & subvention)	346,463	441,829	499,467	523,800
Total capital expenditure	139,824	174,761	181,405	173,864
of which Development	108,158	155,774	153,606	165,605
GDP deflator: 1994=100	56.2	63.2	79.0	100
<i>Total public expenditure on education</i>	<i>205,470</i>	<i>209,551</i>	<i>240,668</i>	<i>242,114</i>
Total recurrent expenditure on education	136,112	178,752	196,976	188,573
Basic education recurrent expenditure (excluding administrative cost.)	82,264	112,272	124,261	112,008
Total capital expenditure on education	7,295	7,753	8,101	9,800
Total public expenditure on education as % of GDP	4.5%	4.4%	4.8%	4.9%
Total public expenditure on education as % of total public expenditure	32.8%	25.9%	24.0%	20.9%
Recurrent expenditure on education as % of GDP	3.0%	3.8%	3.9%	3.8%
Recurrent expenditure on education as % of total recurrent (discretionary) expenditure	39.3%	40.5%	39.4%	36.0%
Capital expenditure on education as % of GDP	.2%	.2%	.2%	.2%
Capital expenditure on education as % of total capital expenditure	5.2%	4.4%	4.5%	5.6%
Basic education recurrent expenditure as % of recurrent expenditure on education ^{1/}	65.6%	68.3%	68.3%	64.6%

Source: GOG, MOE

Note: 1/ Including administrative expenditure, allocated in proportion to the subsector's share in the total expenditure.

ANNEX 3-1
Expenditure Analysis

Table 3-1-2. Distribution of MOE Recurrent Budget and Expenditure, 1993-94

(million cedis)

	Budget			Expenditure			Exp/Budg ratio
	Total (items 1-5)	share of line total out of Total	Salary % of line total ¹	Total (items 1-5)	share of line total out of Total	Salary % of line total ¹	
1993							
Primary	54,877.0	41.1%	95.0%	57,726.6	37.1%	93.9%	105.2%
JSS	22,120.8	16.6%	93.7%	40,439.7	26.0%	95.7%	182.8%
SSS	15,184.8	11.4%	91.0%	17,593.8	11.3%	90.9%	115.9%
Voc/Tech	1,500.7	1.1%	80.0%	1,981.5	1.3%	85.4%	132.0%
Teacher Training	4,800.3	3.6%	94.5%	4,068.4	2.6%	94.4%	84.8%
Tertiary	2,226.2	1.7%	90.0%	2,104.0	1.4%	85.8%	94.5%
Other Education	764.1	0.6%	53.7%	402.2	0.3%	15.8%	52.6%
Administration	11,743.4	8.8%	73.7%	11,275.1	7.2%	73.5%	96.0%
Subvention	20,273.4	15.2%	-	20,019.6	12.9%	-	98.7%
Total	133,490.7	100.0%	77.5%	155,610.8	100.0%	80.1%	116.6%
1994							
Primary	75,300.0	40.3%	96.0%	66,993.9	35.5%	95.9%	89.0%
JSS	30,343.7	16.2%	94.7%	45,013.9	23.9%	96.7%	148.3%
SSS	23,559.5	12.6%	81.4%	24,476.6	13.0%	83.8%	103.9%
Voc/Tech	2,138.0	1.1%	77.8%	2,350.0	1.2%	80.8%	109.9%
Teacher Training	6,683.8	3.6%	94.0%	6,245.8	3.3%	94.4%	93.4%
Tertiary	2,872.8	1.5%	88.9%	1,471.8	0.8%	78.4%	51.2%
Other Education	1,047.7	0.6%	49.9%	416.5	0.2%	15.1%	39.8%
Administration	15,847.6	8.5%	75.0%	12,956.9	6.9%	75.8%	81.8%
Subvention	29,196.5	15.6%	-	28,647.2	15.2%	-	98.1%
Total	186,989.3	100.0%	76.5%	188,572.6	100.0%	78.0%	100.8%

Source: MOE

Note: Total salary's share in the Total MOE budget/expenditure does not include the salary component for the subvented institutions.

Table 3-1-3. Expenditures on Public Basic Education by Source, 1991-94

		(In 1994 constant price, US\$)			
source		1991	1992	1993	1994
Total Primary Expenditure		\$76,936,830	\$94,191,038	\$100,783,623	\$107,651,762
Total Jr. Secondary Expenditure		\$50,337,797	\$56,762,315	\$75,449,633	\$82,650,756
Primary Recurrent expenditure	Total	\$73,764,954	\$91,097,786	\$98,401,986	\$94,211,169
	MOE	\$52,019,734	\$68,778,481	\$75,301,347	\$70,025,295
	District	\$44,322	\$125,159	\$160,708	\$37,304
	Household	\$21,700,898	\$22,194,145	\$22,939,930	\$24,148,570
	Donor	\$994,468	\$207,037	\$4,068,471	\$11,468,786
JSS Recurrent expenditure	Total	\$48,208,851	\$64,700,147	\$73,861,875	\$73,690,361
	MOE	\$30,976,668	\$46,923,800	\$52,751,485	\$47,050,726
	District	\$29,548	\$83,439	\$107,139	\$24,869
	Household	\$16,539,656	\$17,554,883	\$18,290,937	\$18,968,908
	Donor	\$662,979	\$138,024	\$2,712,314	\$7,645,857
Share of contribution Primary	MOE	70.52%	75.50%	76.52%	74.33%
	District	0.06%	0.14%	0.16%	0.04%
	Household	29.42%	24.36%	23.31%	25.63%
	Donor	1.35%	0.23%	4.13%	12.17%
Jr. Secondary	MOE	64.26%	72.53%	71.42%	63.85%
	District	0.06%	0.13%	0.15%	0.03%
	Household	34.31%	27.13%	24.76%	25.74%
	Donor	1.38%	0.21%	3.67%	10.38%
Primary Capital Expenditure	Total	\$3,171,877	\$3,093,253	\$2,381,637	\$13,440,593
	MOE	\$0	\$0	\$0	\$0
	District	\$2,820,790	\$3,076,758	\$1,633,865	\$3,041,024
	Donor	\$351,087	\$16,494	\$747,773	\$10,399,569
Jr. Secondary Capital	Total	\$2,128,946	\$2,062,169	\$1,587,758	\$8,960,395
	MOE	\$14,362	\$0	\$0	\$0
	District	\$1,880,527	\$2,051,172	\$1,089,243	\$2,027,349
	Donor	\$234,058	\$10,996	\$498,515	\$6,933,046
Share of contribution Primary	MOE	0.0%	0.0%	0.0%	0.0%
	District	88.9%	99.5%	68.6%	22.6%
	Donor	11.1%	0.5%	31.4%	77.4%
	Jr. Secondary	MOE	0.7%	0.0%	0.0%	0.0%
District		88.3%	99.5%	68.6%	22.6%
Donor		11.0%	0.5%	31.4%	77.4%
% distribution of total expenditure					
Primary	MOE	67.6%	73.0%	74.7%	65.0%
	District	3.7%	3.4%	1.8%	2.9%
	Household	28.21%	23.56%	22.76%	22.43%
	Donor	0.5%	0.0%	0.7%	9.7%
Jr. Secondary	MOE	61.6%	70.3%	69.9%	56.9%
	District	3.8%	3.2%	1.6%	2.5%
	Household	32.9%	26.3%	24.2%	23.0%
	Donor	1.8%	0.2%	4.3%	17.6%
Recurrent spending/student	Primary	\$41.18	\$49.37	\$53.31	\$50.50
	JSS	\$80.93	\$102.76	\$112.02	\$104.34
Total spending/student	Primary	\$42.57	\$50.96	\$52.76	\$56.05
	JSS	\$84.91	\$106.10	\$115.08	\$125.26

Source: MOE; Demery et al (1995).

Notes: The household unit cost is taken from the GLSS3 for 1992, and assumed unchanged over the period. Some part of the household expenditure is used also for capital costs, but details are not available.

The district expenditure is derived from data available for 27 districts, assuming they represent proportionately for 110 districts. District basic education expenditures consists of contributions by (i) the central government, including District Assembly Common Fund, but excluding MOE budget; (ii) district own-generated resources; and (iii) NGOs and others; and are allocated to primary and JSS by 60%:40%.

ANNEX 3-1
Expenditure Analysis

Table 3-1-4. Public Expenditure on Teacher, 1991-94

	(constant 1994 price)			
	1991	1992	1993	1994
Total teacher wage bills				
Primary	\$50,662,150	\$63,830,943	\$70,250,037	\$65,661,068
Growth index	100	126	139	130
JSS	\$30,431,232	\$44,791,844	\$50,607,445	\$44,834,172
Growth index	100	147	166	147
Share of teacher salaries in recurrent expenditure for:				
Primary	94.0%	91.5%	92.0%	93.8%
JSS	94.8%	94.1%	94.6%	95.3%
Average teacher annual salary				
Primary	\$763.24	\$1,034.13	\$1,127.36	\$1,014.57
JSS	\$911.25	\$1,361.62	\$1,401.48	\$1,258.61
Number of teachers (public school)				
Primary	66,378	61,724	62,314	64,718
JSS	33,395	32,896	36,110	35,622

Notes and Sources: MOE. JSS teachers does not include National Service staff.

Annex 3-2
Equity Analysis

Table 3-2-1. Equity Indicators: Gender gaps in admission rate, GER, retention, and repetition rates, 1989-1993

Year	Admission Rate (%)		Gross Enrollment Rate (%)		Retention Rate (%)	
	Boys	Girls	Boys	Girls	Boys	Girls
Primary Education						
1989	-	78.7	-	64.3	71.1	62.3
1990	99.4	87.6	86.7	71.9	79.0	71.1
1991	93.9	84.7	85.8	72.4	82.5	74.1
1992	89.8	81.2	83.7	71.4	83.9	76.7
1993	90.1	80.8	84.2	71.7	88.4	79.6
Junior Secondary Education						
1989	-	48.6	-	42.7	80.9	75.6
1990	70.2	50.6	64.6	44.5	87.0	78.8
1991	71.6	53.2	66.2	46.4	88.8	78.9
1992	71.7	55.0	67.4	48.9	86.6	81.3
1993	75.9	58.4	70.4	51.4	88.7	82.2

Source: MOE (1995).

Table 3-2-2. Enrollment in Basic Education by Grade, Gender, and Sector, 1994/95

Grade	Public				Private			
	Boys	Girls	Total	Girls as % of total	Boys	Girls	Total	Girls as % of total
1	199995	179705	379700	47.3%	23030	22205	45235	49.1%
2	179855	158211	338066	46.8%	23142	21698	44840	48.4%
3	174092	151360	325452	46.5%	22315	20957	43272	48.4%
4	169090	143843	312933	46.0%	20073	18719	38792	48.3%
5	158800	131547	290347	45.3%	17069	16197	33266	48.7%
6	153516	120789	274305	44.0%	14909	13629	28438	47.9%
Primary	1,035,348	895,455	1,920,803	46.6%	120,438	113,405	233,843	48.5%
7	137913	107607	245520	43.8%	6770	6421	13191	48.7%
8	126319	94557	220876	42.8%	5324	4999	10323	48.4%
9	113085	80370	193455	41.5%	3755	3438	7193	47.8%
JSS	377,317	282,534	659,851	42.8%	15,849	14,858	30,707	48.4%
Total	1,412,665	1,177,989	2,590,654	45.5%	136,287	128,263	264,550	48.5%

Source: PBME, MOE (1996).

Table 3-2-3: Equity indicators by gender, 1992

Equity Indicators	Male	Female	All
% of the population with no education	9.17%	9.95%	9.53%
% of the population completing primary education	37.43%	42.07%	39.60%
% of the population completing middle/JSS	41.71%	39.82%	40.83%
% of the population completing secondary educ.	8.34%	6.48%	7.47%
% of the population completing tertiary education	3.35%	1.67%	2.56%
Average # of years of schooling	6.4	5.82	6.13
Average amount of scholarship received (cedis)	25,622	27,100	32,720
Average individual income (cedis)	273,411	253,130	263,827
Public subsidies per capita on education*			
Primary education (Cedis)	4,981	3,883	4,416
Secondary education (Cedis)	5,702	3,564	4,601
Tertiary education (Cedis)	2,119	1,166	1,628
All education (Cedis)	12,803	8,614	10,644

Source: GLSS3. Extracted from Demery, et al. (1995).

Table 3-2-4. Equity indicators by poverty group, 1992

Equity Indicators	Very Poor	Poor	Non-poor	All
% of the population with no education	16.11%	12.66%	8.88%	11.70%
% of the population completing primary education	49.07%	48.31%	37.75%	43.18%
% of the population completing middle/JSS	31.25%	32.53%	42.47%	37.33%
% of the population completing secondary educ.	2.99%	4.32%	8.11%	5.90%
% of the population completing tertiary education	0.57%	1.43%	2.79%	1.89%
Average # of years of schooling	4.91	5.48	7.06	6.13
Average household education expenditure (cedis)	7,976	11,067	20,484	14,240
Average amount of scholarship received (cedis)	15,279	20,500	41,441	32,453
Average individual income (cedis)	198,736	254,910	292,961	264,254

Source: GLSS3. Extracted from Demery, et al. (1995).

*"Poor group" is defined as those individuals at or below 2/3 of mean expenditure per capita;

"very poor group" is defined as those individuals at or below 1/3 of mean expenditure per capita.

ANNEX 3-2
Equity Analysis

Table 3-2-5 Equity indicators by household expenditure quintile, 1992

Equity Indicators	Quintile	1	2	3	4	5	All
		Poorest <<<<<			>>>>>	Richest	
Gross Enrollment Ratios (GER)							
Primary education		75%	91%	90%	91%	101%	88%
Secondary education		27%	40%	38%	45%	45%	39%
Public subsidies per capita on education							
Primary education (Cedis)		4,815	5,219	4,797	4,147	3,100	4,416
Secondary education (Cedis)		3,431	5,026	4,849	5,412	4,285	4,601
Tertiary education (Cedis)		485	775	1,551	1,648	3,683	1,628
All education (Cedis)		8,731	11,021	11,196	11,207	11,067	10,644
Household spending per student on education							
Public primary schools (Cedis)		5,148	6,028	7,627	8,881	10,617	7,364
Public Secondary schools (Cedis)		13,545	17,345	22,223	28,437	38,954	24,441

Source: GLSS3. Extracted from Demery, et al. (1995).

Table 3-2-6. Equity Indicators by locality, 1992

Equity Indicators	Urban	Rural	All
% of the population with no education	7.70%	14.23%	11.70%
% of the population completing primary education	37.13%	47.01%	43.18%
% of the population completing middle/JSS	41.28%	34.83%	37.33%
% of the population completing secondary educ.	10.75%	2.83%	5.90%
% of the population completing tertiary education	3.15%	1.10%	1.89%
Average # of years of schooling	7.39	5.34	6.13
Incidence of poverty in the population	46.44%	54.50%	51.89%
Average individual income (cedis)	351,021	215,813	264,254
Average amount of scholarship received (cedis)	41,093	20,177	32,454
Average household education expenditure (cedis)	24,135	8,806	14,240
Household education expenditure per student *			
Public primary schools (Cedis)	12,318	5,248	7,364
Public secondary schools (Cedis)	34,072	17,422	24,441
Public Tertiary education (Cedis)	105,176	66,500	95,518

Source: GLSS 3.

* : Extracted from Demery, et al. (1995).

Table 3-2-7. Enrollment in Primary education by Region, by Sector, 1992

Region	Total enrollment	% of private enrollment	GER (%)
Ashanti	390,238	14.1%	88.2
B. Ahafo	208,986	4.9%	76.7
Central	196,065	2.7%	85.7
Eastern	287,670	5.3%	81.6
G. Accra	280,672	35.6%	86.5
Northern	136,328	2.4%	51.3
Upper East	75,875	0.2%	46.1
Upper West	48,909	0.1%	53.7
Volta	219,301	1.7%	90.6
Western	203,249	4.0%	79.9
GHANA	2,047,293	9.7%	77.6

Source: PMBE, MOE

Table 3-2-8. Equity indicators by region, 1991-92 (Public only)

Region	Total enrollment	% of girl enrollment	Total No. of teachers	Pupil/teacher ratio	% of female teachers	% of trained teachers
Primary						
Ashanti	337,039	46.9%	11,853	28	41.4%	75.5%
B. Ahafo	186,579	46.2%	7,762	24	25.5%	64.4%
Central	187,631	46.3%	6,474	29	34.2%	74.4%
Eastern	274,162	46.4%	11,425	24	34.5%	76.8%
G. Accra	174,960	49.2%	4,776	37	72.3%	90.1%
Northern	130,338	35.1%	5,400	24	26.4%	65.7%
Upper East	67,461	39.0%	2,153	31	35.9%	78.6%
Upper West	42,841	42.7%	1,551	28	35.8%	84.0%
Volta	205,971	46.1%	7,743	27	33.5%	84.8%
Western	200,241	45.8%	7,241	28	28.8%	55.7%
National	1,807,223	44.4%	66,378	28	36.8%	75.0%
Jr. Secondary						
Ashanti	116,680	43.1%	6,267	19	24.7%	75.7%
B. Ahafo	65,877	41.9%	3,969	17	10.8%	66.0%
Central	63,573	40.1%	3,644	17	21.8%	71.4%
Eastern	88,990	41.0%	5,551	16	23.1%	75.2%
G. Accra	80,859	47.4%	3,428	24	52.0%	82.0%
Northern	27,110	25.4%	1,600	17	14.1%	61.3%
Upper East	13,162	35.0%	1,008	13	14.3%	51.5%
Upper West	11,133	38.1%	849	13	14.3%	58.1%
Volta	67,591	39.7%	3,396	20	18.1%	81.7%
Western	57,892	39.6%	3,631	16	21.9%	62.5%
National	592,867	39.8%	33,343	17	21.5%	68.5%

Source: MOE (1995).

ANNEX 3-2
Equity Analysis

Table 3-2-9. Recurrent unit cost and operating unit cost for basic education
by Region, 1992-94

Region		Primary			JSS		
		1992	1993	1994	1992	1993	1994
Ashanti	Unit recurrent cost	\$37.70	\$40.70	\$38.96	\$49.21	\$56.35	\$49.54
	Unit operating cost	\$0.07	\$0.15	\$0.16	\$0.48	\$0.65	\$0.67
B. Ahafo	Unit recurrent cost	\$15.21	\$43.43	\$39.44	\$163.04	\$121.44	\$53.45
	Unit operating cost	\$0.18	\$0.21	\$0.19	\$0.61	\$61.33	\$0.67
Central	Unit recurrent cost	\$30.49	\$17.68	\$177.24	\$158.87	\$114.57	\$119.55
	Unit operating cost	\$0.16	\$0.12	\$0.13	\$0.41	\$0.52	\$0.56
Eastern	Unit recurrent cost	\$38.28	\$41.81	\$37.53	\$89.75	\$90.78	\$79.39
	Unit operating cost	\$0.13	\$0.17	\$0.18	\$0.90	\$0.81	\$2.23
G. Accra	Unit recurrent cost	\$29.62	\$33.27	\$47.19	\$45.79	\$47.72	\$44.31
	Unit operating cost	\$0.10	\$0.11	\$0.08	\$0.27	\$0.31	\$0.31
Northern	Unit recurrent cost	<i>\$152.10</i>	\$30.69	\$51.90	\$66.67	\$58.87	\$100.57
	Unit operating cost	\$0.17	\$0.16	<i>\$26.13</i>	\$0.73	\$0.78	<i>\$51.07</i>
U. East	Unit recurrent cost	\$15.59	\$24.96	\$22.05	\$39.96	\$51.46	\$50.83
	Unit operating cost	\$0.07	\$0.14	\$0.18	\$0.65	\$0.88	\$1.20
U. West	Unit recurrent cost	\$30.26	\$98.08	\$22.90	\$68.60	\$32.89	\$44.81
	Unit operating cost	\$0.58	\$0.46	\$0.16	\$0.85	\$0.95	\$0.62
Volta	Unit recurrent cost	\$56.42	\$51.73	\$61.68	\$85.56	\$83.47	\$65.30
	Unit operating cost	\$0.17	\$0.12	<i>\$31.03</i>	\$0.83	\$0.80	<i>\$13.53</i>
Western	Unit recurrent cost	\$62.28	\$42.26	<i>\$4.47</i>	<i>\$170.34</i>	\$127.28	\$73.05
	Unit operating cost	\$0.26	\$0.14	\$0.16	\$2.29	\$0.66	\$0.75
GHANA	Unit recurrent cost	\$45.76	\$39.64	\$52.19	\$95.42	\$82.79	\$67.35
	Unit operating cost	\$0.16	\$0.16	\$5.65	\$0.76	\$7.33	\$4.96

Source: MOE.

Note: (1) Recurrent expenditure includes salary and non-salary operating costs. The operating cost refer to non-salary expenditure (items 2-5)

(2) Figures in italics are questionable, due to possible errors in the raw data.

Cost-Benefit Analysis: Returns to Education

Introduction

1. Of the several important investment decision criteria such as the Net Present Value (NPV), the Benefit-Cost Ratio (BCR) and the Internal Rate of Return (IRR), each with its own relative advantages and weaknesses, IRR has been extensively used for establishing education investment priorities at the margin. It has been shown that in education projects in which the net flow of benefit stream does not change very often, multiple rates of return rarely occur, and IRR criterion gives the same answer as NPV. The present analysis is built around the calculation of IRR from both private and social perspectives.

Benefits of Education: Age-Education-Earnings Profiles

2. Measurement difficulties allow, among the innumerable education benefits, only the direct monetary benefits associated with education to be brought into the cost-benefit analysis. In the case of Ghana, the data set obtained from the 1992 Ghana Living Standards Survey (GLSS3) can be used for the construction of age-education earnings profiles. It is assumed that children in Ghana do not enter the labor force before age 9 and their working life ends by age 65. The data set on earnings are further classified into four groups by the educational background: illiteracy or no education, primary education (those who have completed 6 years of primary schooling), secondary (additional 6 years of schooling beyond primary level), and higher education (additional 4 years of schooling beyond secondary level). While this four-group classification is useful particularly for international comparison, earning profiles can also be obtained for five educational groups dividing the secondary into two: junior secondary and senior secondary levels according to the current educational structure: 6 years for primary, 3 years for junior secondary, 3 years for senior secondary, and 4 years for tertiary education¹.

3. Based on the above age and education classifications, the average age-earnings profiles were derived by level of education. The results show that: (1) earnings are positively correlated with the level of education; (2) a profile tends to rise with age to a peak and then fall until retirement age; (3) profiles for more highly educated individuals are steeper than for the less educated; and (4) the higher the level of education, the later the age at which earnings reach their peak (Figure 3-3-1). Although the profiles of higher educational levels lie above the lower educational levels, there is some degree of convergence of the profiles at other levels. This is due in part to the relatively small number of observations in the sample, which places unproportional weight on exceptional sample cases. In addition to the sample population as a whole, the age-education earnings profiles were also obtained for subgroups: male and female, poverty group and non-poverty group, and urban and rural areas. The summary of the profiles for all age groups is presented in Table 3-3-1.

¹ For the purpose of this analysis, the new education structure is used considering its comparability and relevance, instead of using the pre-1987 structure.

Figure 3-3-1. Age-Education Earnings Profile of Ghana, 1992

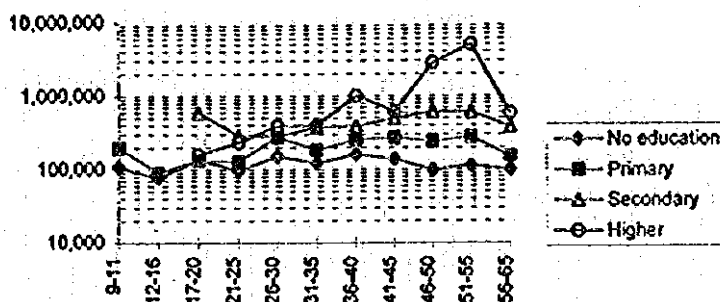


Table 3-3-1. Mean earnings by subgroup, Ghana, 1992

Subgroup	Mean Earnings by Level (cedis)			
	No educ.	Primary	Secondary	Higher
Male	136,297	190,867	314,570	938,969
Female	118,655	227,406	488,867	1,466,923
Poor	109,109	177,793	369,601	461,319
Non-poor	143,586	233,763	386,402	1,247,228
Urban	150,607	314,426	432,866	581,671
Rural	115,807	169,962	213,123	796,911
All	126,594	209,103	382,426	1,075,757

Source: GLSS3 (1992)

Costs of Education

4. Costs of education consist of two important components: private and public costs. Private cost is defined as that part of the investment in education which is incurred either by the pupil or by his/her parents/guardian or by both. The private costs consist of two major elements: (a) direct household costs on education including tuition fees and non-tuition costs such as expenditure on books, stationary, transportation, uniforms, and meals; and (b) opportunity cost, also known as "foregone earnings" that would have been earned had the pupil not attended school. Foregone earnings have been derived on the basis of the age-earnings profiles constructed from the GLSS3 data. In contrast, the public costs include the spending on education by the public sector at large. The average earnings by level of education for the whole sample and subgroups, presented in Table 3-3-1 above, can be taken as income foregone, and both public and private unit costs of education are shown in Table 3-3-2.

Table 3-3-2. Unit Costs and Length of Cycle by Level, Ghana, 1992

Unit cost (Cedis)	Education Level		
	Primary	Secondary	Higher
Public unit cost*	24,824	65,275	392,707
Private unit cost	7,364	24,441	95,518
- tuition	1,331	5,309	25,191
- PTA fees	264	677	1,086
- clothing	1,819	3,481	6,054
- books/supplies	710	3,447	18,446
- transport	148	1,586	12,340
- food/lodge	2,126	5,544	18,852
- others	966	4,397	17,757
Length of cycle (yr)	6	6	4

Source: Demery, et al. (1995). *The incidence of social spending in Ghana*. PSP Discussion Paper # 82. The World Bank

*Note: derived from the central government recurrent expenditure, 1992.

Estimation of the Rate of Return to Education

5. Based on mean earnings by each subgroup and unit costs presented above, the results of estimating rates of return to different levels of education are presented in Table 3-3-3 using the short-cut method². Primary education in Ghana on average produces a private rate of return of 28 percent and a social rate of return of 19 percent. At the secondary level which for the sake of this analysis combines the junior secondary and senior secondary levels, the return to education is 12 percent and 10 percent for private and social rates respectively.

Table 3-3-3. Returns to education, Short-cut method, Ghana, 1992

	Private		Social	
	Primary over no ed.	Secondary over primary	Primary over no ed.	Secondary over primary
Ghana Overall	27.7%	12.4%	18.5%	9.7%

Source & Note: GLSS3 (1992). Private unit costs or household costs per student have been included as a part of the education costs in the calculation of both private and social rates of return to education. Assuming 2 years of foregone earnings for primary school students.

6. The subgroup analysis (Table 3-3-4 below) shows that females benefit more from all levels of education than males in terms of both private and social rates of return, highlighting the importance of investments that will increase enrollment of girls. In addition, the poor benefit

² The alternative 'full-method' using age-earning profiles, instead of mean earning profiles, tends to provide more accurate results, but requires more reliable data set. The existing data set with lots of missing data does not allow sensible subgroup analysis, hence only the result of the short-cut method is presented. The full-method according to the present data set gives lower rates of return. Further study will be necessary to reconcile the difference in the results from the different methods.

considerably more from primary education than from any other level of education, suggesting that interventions for increasing the poor's access to primary education will have high payoffs. Compared with people in rural areas, people living in urban area show higher returns to all levels of education except higher education, mainly due to job opportunities in urban areas.

Table 3-3-4. Returns to education by subgroup, Short-cut method, Ghana, 1992

Subgroup	Private		Social	
	Primary	Secondary	Primary	Secondary
By Gender				
Male	17.2%	9.6%	11.7%	7.3%
Female	38.6%	17.3%	25.3%	13.7%
By Poverty Status				
Poor	26.2%	15.8%	16.7%	12.0%
Non-poor	27.2%	9.9%	18.8%	7.9%
By Locality				
Urban Area	47.4%	-	33.1%	-
Rural Area	19.6%	-	12.8%	-

7. Mincerian method. The findings in the short-cut method is largely consistent with the results using the semi-log earning function specification, developed by Mincer. The coefficient on years of schooling can be interpreted as the average private rate of return to one additional year of education, regardless of the education level to which this year of schooling refers. Again, there are higher returns to one additional year of schooling for females than males. The Mincerian method, however, gives different results on the rural-urban investment preference: people in rural areas have somewhat higher returns than those in urban areas, suggesting that targeting on rural areas would have a relatively higher pay off than on urban areas.

Table 3-3-5. The coefficient on years of schooling: Mincerian mean rate of return, by gender, poverty status, and locality, 1992

Group	Mean years of schooling	Coefficient (percent)
By Gender		
Male	6.4	9.3
Female	5.8	10.6
By Poverty Status		
Poor	5.2	9.4
Non-poor	7.1	9.3
By Locality		
Urban	7.4	8.0
Rural	5.3	8.9
Overall	6.1	10.5

Source: GLSS 3 (1992)

ANNEX 3-4. Fiscal Impact Analysis

The FCUBE program with support of the proposed credit aims at (a) improving the teaching and learning process and outcome; (b) enhancing efficiency of basic education management; (c) achieving better access and participation; and (d) helping establish a financially sustainable education sector. For FCUBE to be financially sustainable, demand-driven policy options need to be guided by factors derived from reasonable expectations as to how much resources can be mobilized. Among various performance objectives, a few financially important ones are selected from each program component for this analysis. Accordingly, both demand (access and quality) and supply factors (resource availability) have been considered.

Approach

The analysis has been done in the following process:

- i. Enrollment projections
- ii. Teacher analysis
- iii. Cost analysis
- iv. Resources analysis
- v. Analysis of different scenarios (low, medium, high)

These analyses are based on three scenarios, each presuming different macroeconomic environments and resources available to the education sector. Some elements of sensitivity analysis are also included in the scenario analysis, such as the impact of the class flow efficiency under the FCUBE reform on enrollment and costs.

Low Scenario. Ghana fails to maintain macroeconomic stability and the economy grows only at 3 percent annually. However, the strong financial commitment of the Government to education is not likely to fade, and MOE's share of the total recurrent budget is sustained. Education costs for the poor are prohibitive, and GOG can not extend financial support to them.

Medium Scenario. The present level of economic growth (5 percent annually) is sustained. Macroeconomic conditions are stable, and public spending including MOE's recurrent budget stays at a constant share of GDP. The private sector's growth in providing education service continues at the present pace until it slows at the market plateau.

High Scenario. The macroeconomic environment is favorable and the Ghanaian economy grows at a higher rate (7 percent per year). Gains from growth are clearly visible in the increased private provision of basic education, and increased household spending on education contributes to improvements in children's learning achievement.

1. Enrollment projection. Ghana has a policy of automatic promotion throughout the basic education cycle. The student flow model used is based on admission into the primary school, promotion, repetition and dropout. It allows for measuring the impact of improvements in the flow efficiency.

ANNEX 3-4
Fiscal Impact Analysis

Results of enrollment projections are affected by policy decisions on giving priority to quality-improvement or enrollment expansion. Ghana's choice of quality improvement as a priority is sound, especially if we take into account the interaction between improvements in the quality of education and increases in enrollment. However, the quality emphasis requires increasing contribution by the private sector to education service delivery, which in turn requires economic environments favorable to private sector growth. The following table gives the enrollment projections under the medium case scenario based on the combination of the policies that are described in the following page.

Enrollment: Medium Case Scenario

		1994 (base*)	2000	2005
Primary	school age pop. (6-11)	2,836,772	3,487,117	4,141,601
	enrollment: public	1,920,803	2,524,360	3,574,412
	private	233,843	357,155	579,919
	gross enrollment ratio	76.0%	82.6%	100.3%
	admission rate into P1	82.5%	94.0%	108.8%
Jr. Secondary	school age pop. (12-14)	1,177,493	1,447,440	1,719,104
	enrollment: public	659,851	865,847	1,188,108
	private	30,707	110,974	170,489
	gross enrollment ratio	58.7%	67.5%	79.0%

2. Teacher analysis. The annual net increase in the teaching force is derived from the number of new teachers recruited, teacher attrition rate, and a redeployment of administrative staff with teacher's qualifications back to schools. The number of new recruits is decided by several factors: a pupil-teacher ratio as a monitoring reference, TTCs' supply capacity, actual TTC graduates who take teaching posts, and the impact on the wage bill. The analysis indicates that annual recruitment of some 4,000 new primary teachers would be appropriate over the FCUBE period, while for junior secondary, the number needs to be raised gradually from the present level of 1,100 to 1,900. MOE should make efforts not to enlarge the size of the teacher salary envelope beyond the rate of the overall real MOE budget increase. Given the present level of "waste" in graduates, supply capacity of the existing TTCs is not taken as fully and efficiently utilized, hence no additional TTCs need to be constructed in the medium term.

ANNEX 3-4
Fiscal Impact Analysis

Summary of Scenario Analysis

Scenario	Low	Medium	High
Average GDP growth rate	3 % p.a.	5 % p.a.	7 % p.a.
MOE budget growth rate	3 % p.a.	5 % p.a.	7 % p.a.
Policy Guidelines / Key Assumptions			
Growth rate of school-age (6-11) population	1994: 3.5% 2005: 4.0%	constant 3.5%	1994: 3.5% 2005: 3.2%
PI public intake growth	1996: 4 % 2000: 3 % 2005: 3 %	1996: 4 % 2000: 7 % 2005: 5 %	1996: 4 % 2000: 8 % 2005: 8 %
PI private intake growth	1996: 10 % 2005: 5 %	1996: 10 % 2005: 8 %	1996: 10% 2005: 15%
Flow rate improvement	constant	repeaters/dropouts decrease by 10.0% yearly	same as Medium
Ave. teacher salary real growth	constant	2.0% p.a.	3.0% p.a.
Recurrent non-wage budget real growth	constant	10.0% p.a.	10.0% p.a.
DACF on education real growth	10.0 % p.a.	20.0% p.a.	same as Medium
Demand for additional school facility(public, 96-00)	primary: 12057 jr. Sec.: 5455	primary: 17933 jr. Sec.: 6866	primary: 18351 jr. Sec.: 6866
IMPACTS			
Primary GER in 2005	75.2 %	100.3 %	111.1 %
JSS GER in 2005	65.5 %	79.0 %	79.6 %
Basic Education Costs \$ mil	1996-00: 1,252 2001-05: 1,404	1996-00: 1,351 2001-05: 1,522	1996-00: 1,445 2001-05: 1,871
Basic Education Financing (excluding donors) \$ mil	1996-00: 1,062 2001-05: 1,245	1996-00: 1,121 2001-05: 1,404	1996-00: 1,175 2001-05: 1,668
BE Financing Gap (without donors) \$ mil.	1996-00: 190 2001-05: 159	1996-00: 230 2001-05: 118	1996-00: 270 2001-05: 203
Number of BE teachers	same as Medium	2000: 113,524 2005: 129,078	same as Medium
Pupil/Teacher ratio	2000: 29.1 2005: 29.7	2000: 31.5 2005: 39.0	2000: 31.7 2005: 41.2
P/T ratio	2000: 24.9 2005: 26.3	2000: 26.1 2005: 31.8	2000: 26.1 2005: 31.9
Class/classrm ratio	2000: 1.4 2005: 1.4	2000: 1.4 2005: 1.3	2000: 1.4 2005: 1.3
Class/classroom ratio	2000: 1.3 2005: 1.3	2000: 1.3 2005: 1.3	2000: 1.3 2005: 1.3

ANNEX 3-4
Fiscal Impact Analysis

3. Cost Analysis. The model incorporates all expenditures incurred at all levels (i.e., the central and local governments, at the school and household levels). It looks at the salary of teachers; costs of textbooks and other educational materials; administrative costs including overhead, operation and maintenance costs; costs of building new schools and their maintenance, and various costs to the household. The total 10-year costs of the FCUBE program implementation will be US\$2.9 billion, of which the first 5-year phase will be US\$1.3 billion. Instead of a conventional approach using a unit cost per pupil, the model uses a detailed breakdown which allows for measuring the impact of changing the policy pertaining to each of the cost items. Average teacher salary, including the incentive package, will not increase by more than 2 percent annually, in real terms, and in reality, should be in harmony with the movement of other public services salaries. To provide the necessary educational materials to all the students, about 18 percent of recurrent expenditure needs to be spent over the period 1996-2005, implying that for the sector to be sustainable, MOE's budget structure needs to be adjusted accordingly in a gradual manner. If successful, central administration can become leaner, and in 10 years administrative costs can be reduced from the present level of 10.4 percent to 8.7 percent of the recurrent costs. This can be achieved through various efforts to make sectoral management more efficient. During the second phase of the FCUBE program (2001-2005), betterment costs of US\$205 million is estimated, of which supply of textbooks and other educational materials alone will account for some 90 percent of the costs.

Medium Scenario Cost and Financing for FCUBE
(US\$ million)

	First Phase 96-00	Second Phase 01-05	FCUBE total 96-05
Betterment	\$241.6	\$205.0	\$446.6
Other basic education sector cost	\$1,109.6	\$1,316.8	\$2,426.4
TOTAL COST	\$1,351.2	\$1,521.8	\$2,873.0
Total Ghana	\$1,120.9	\$1,404.3	\$2,525.2
Ongoing donor support	\$54.0	\$0	\$54.0
TOTAL FINANCE	\$1,174.9	\$1,404.3	\$2,579.2
Donor additional (committed)	\$151.0	\$0.0	\$151.0
Financing gap	\$25.3	\$117.5	\$142.8

Recurrent Cost Structure, Medium Scenario

	1994	ave. 1996-00	ave. 2000-05
Recurrent Costs	100.0%	100.0%	100.0%
(without household)			
teacher salary	82.1%	74.3%	74.0%
educational materials	7.5%	17.0%	17.7%
admin costs: salary	7.4%	6.0%	5.6%
admin. non-salary	3.0%	2.7%	2.7%

ANNEX 3-4
Fiscal Impact Analysis

4. Financing Analysis. All domestically available financial resources are included in this submodel: the central budget, intergovernmental transfers, local government's own generated fund, and contributions from households. MOE's budget is assumed to grow at the same pace as the country's economic growth. Internal allocation of the budget is considered to remain unchanged because basic education's receipt of 65% of the recurrent budget is already favorable, and increasing pressure is expected on the secondary and higher levels of education as a result of improved basic education. Gradual reallocation within the basic education subsector will become necessary as the relative demand for junior secondary education increases. The total resources domestically available to fund the FCUBE program over the period 1996-2005 will be US\$2.6 billion, and US\$ 1.1 billion for the first phase. Funds to be mobilized externally are not taken into account in here, and will be used to help fill the financing gap. Allowing further increases in the average teacher' salary, even marginally from 2 to 3 percent annually, is justified only under the higher economic growth scenario in which more GOG budget for the education sector will be available relative to the low and medium scenarios. Under the Medium Scenario, the combination of policy options requires additional US\$176 million over the period 1996-2000, annually US\$40 million on average, to be mobilized externally. Of this additional resource requirement, US\$151 million has been already committed so far by the program cofinanciers including UNICEF, USAID, ODA, and Germany, and EU and the governments of Japan and Norway have indicated their interest in contributing to the program. The proposed IDA credit is expected to contribute US\$ 50 million.

In all scenarios, even though adequate capital costs for additional intake are estimated, still about 30 percent of classes will have no classroom of their own. This requires continuing the double-shifting, particularly in densely populated areas.

Overall, Ghana's FCUBE objectives of quality improvement and universalizing basic education are attainable, for the primary level within the coming 10-year period, and up to the junior secondary level by the year 2010. Toward the end of the 10-year program, different sets of policies will be warranted to ensure financial sustainability. These include, among others, a review of policies on the intra-sectoral allocation of resources, annual demand for new teacher recruitment, and adequate arrangement to continue the provision of educational materials which will become increasingly more costly.

In the event of a
change in the date of the
meeting, the date should be updated

Date: 10A/4/20.12
Year: 2012
Page: 1



REPUBLIC OF GHANA

MINISTRY OF FINANCE
P.O. BOX M 40
ACCRA

16th May 19 07.00.

**PLAN FOR FREE, COMPULSORY AND UNIVERSAL
BASIC EDUCATION (CUBE) PROGRAMME, 1996-2005**

LETTER OF BASIC EDUCATION DEVELOPMENT POLICY

MR JAMES WOLFENSOHN
PRESIDENT
THE WORLD BANK
WASHINGTON, D.C. 20433

Dear Mr Wolfensohn,

**GHANA: FREE, COMPULSORY AND UNIVERSAL BASIC EDUCATION
PROGRAMME: 1996-2005: LETTER OF BASIC EDUCATION
DEVELOPMENT POLICY**

I am writing to you in connection with the proposed International Development Association (IDA) Basic Education Sector Improvement Credit which is designed to assist all young Ghanaians to receive at least nine years of quality schooling to ensure that, irrespective of gender, economic circumstance or geographic location, they learn skills and develop attitudes that will enable them to play a functional role in society as informed and productive citizens. I would like to inform the Association of the progress made in the basic education sub-sector since the start of our education reform programme in 1987, and give an outline of further policy initiatives that the Government plans to implement in this sub-sector over the next ten years.

A. Background and Goals

Basic education is the fundamental building block of any nation. Given that the long-term vision for Ghana is to become a middle-income country by the year 2020, a lynchpin of the government's development plan is a nation-wide, sustained effort to expand.

strengthen, and make more relevant its basic education system. In recognition of this, the Government seeks to provide quality basic education (BE) for all school age children as soon as is practicable.

The central goal of the BE system in Ghana is to ensure that all young people are equipped with the fundamental knowledge, attitudes and skills that will enable them to be active participants in and beneficiaries of national development.

The policy initiatives outlined below are the Government's response to a constitutionally-mandated charge. Article 39(2) of the 1992 Constitution of the Fourth Republic of Ghana states:

The Government shall, within two years after Parliament first meets after coming into force of this constitution, draw up a programme for implementation within the following ten years, for the provision of free, compulsory and universal basic education.

B. Structure

The restructuring of the education system has been a key element of the reform that started in 1987. The current system consists of Primary (grades 1-6); Junior Secondary (grades 7-9), together forming a nine-year BE cycle; followed by Senior Secondary (10-12); Technical; and several optional forms of Tertiary Education that include universities, polytechnics and teacher training colleges.

C. Financing

The Government's emphasis on the importance of education in the development process is unequivocal. The proportion of the national recurrent budget (net of debt servicing and other extra-budgetary items) allocated to education has increased from 31 percent in 1987 to almost 39 percent as an average over the past five years. Intra-sectoral allocation has been increasingly in favour of BE which is currently receiving about 65 percent of MOE's recurrent budget (up from 60 percent in 1989). Government resource commitments to education as set out in the policy document "Ghana ; Vision 2020" are projected to increase proportionately with national economic growth rates and to stay at 40 percent of the national budget through to 2000.

D. Key Issues in Basic Education

Key issues in basic education in Ghana may be categorised into four areas:

Poor Teaching and learning outcomes

A new education structure has been put in place, the proportion of trained staff has grown, the volume of materials and equipment into the sector has increased, and more school facilities have resulted in increased enrolments. Yet the reform has had limited success in delivering quality teaching and learning outcomes. Pupil achievement continues to be very disappointing. Reasons for weak learning results include: lack of learning materials, and even where available, teachers often do not make effective use of them; inadequate funding of non-salary recurrent expenses; high levels of pupil and teacher absenteeism, inefficient use of teacher-pupil instructional contact hours; outmoded pre-service teacher training and inadequate in-service teacher development; unmotivated teachers owing to unattractive incentives, ineffective sanctions and low social status of teachers; an overly ambitious curriculum, burden-some to both teachers and pupils; and lack of suitable physical facilities in many locations.

Access and Gender Bias

Across the country, conspicuous disparity exists in access to basic education services between boys and girls, the rich and the poor, and among geographic regions. BE is supposed to be tuition-free and open to all. Currently, insufficient access, poor quality and financial constraints make the policy more of a promise than a reality. Nominal gross enrolments at the primary and junior secondary levels stand at 78 and 58 per cent respectively of the relevant age cohorts. There are also equity concerns. Enrolments in the northern regions are up to 30 per cent lower than the national average. In some areas, girls comprise only 35 per cent of primary and as little as 28 per cent of junior secondary enrolments. Although primary enrolments have grown by about 25 percent since the reform programme began, expansion has come without the requisite improvement in the quality of teaching and learning. Furthermore, the expansion has not been rapid enough to keep up with the pace of the school-age population growth resulting in a stagnating or even declining ratios of BE gross enrolment. Insufficient infrastructure, family poverty, unavailability of teachers and geographic isolation all coincide to form a complex web of disadvantage.

Inappropriate Management Structures and Weak Management Capacity

Effective management within the education sector depends upon the management capabilities of the central Ministry, the GES, the districts and the schools themselves. With Government firmly committed to the process of decentralisation of administration of public sector institutions, including education, capabilities have to be improved to meet the requirements of a system under which districts and communities themselves will have enhanced responsibility and authority to improve the quality of and participation in education at the school level. However, incomplete and unclear transfer of authority, lack of clarity in job descriptions, ineffective staff posting procedures, inadequate planning, monitoring and evaluation, and inadequately trained staff at all levels of management have all contributed to hampering the effective implementation of decentralisation policy.

Critical management issues are to be addressed: the management structure of GES that remains "top heavy" with many levels of management and with some duplication of functions among headquarters, regions and districts; inadequacies in the supervision of schools and the limitation of disciplinary processes that seriously undermine effective teaching; data essential for planning and resource utilisation that are reported in a manner of little practical utility; too few capable managers at all levels of the GES; personnel emoluments that absorb a very high proportion of the recurrent budget leaving very limited resources at the district and school level to improve quality; few incentives available to teaching and administrative staff to encourage and reinforce good performance; and lack of community participation in school governance.

Inadequate Resource Mobilisation and Inefficient Utilisation

The education sector has been receiving about 39 percent of Government's discretionary recurrent budget; and around 3 percent of the development (capital investment programme) budget. The expenditure side has been constantly affected by uncertainties in salary raises and number of staff on the payroll. MOE's actual expenditures have been overrunning the budget, but nearly the entire overrun can be attributed to salary related expenses. The absence of a reliable and timely expenditure monitoring system is partly responsible for this.

Furthermore, internal resource allocation within the basic education sub-sector is heavily influenced by the sheer size of the wage bill. Of the total MOE/GES expenditures, personnel emoluments account for 85 percent. When looking at school-level basic education expenditure, around 98 percent of the national recurrent allocation is absorbed by the salary related costs and only the tiny remainder is available for teaching/learning materials, school operation and maintenance.

II ELEMENTS OF THE BASIC EDUCATION INITIATIVE

A. Strategic Framework

The Government's recently announced Free Compulsory Universal Basic Education (FCUBE) Programme addresses three major goals.

Quality Improvement of BE services will enable the majority of BE 1-9 pupils to meet acceptable standards of performance; reduce repetition and dropout rates; increase the BE completion rate as well as the pass rate for admission into second cycle (senior secondary and technical) institutions.

Management Efficiency of the Education System will be improved along several dimensions. System management will be strengthened and streamlined overall, with:

increasing delegation of decision-making authority and responsibility to the district and school levels.

Access to and participation in basic education services will be expanded progressively for all school-age children, but especially for girls and for pupils from disadvantaged areas. Alternative service delivery arrangements to the traditional model will be piloted. One of the most important lessons learned since the current education reform programme is that continuing to expand access to basic education and to increase physical inputs into the system are not effective unless the quality of activities at the school level improves significantly.

B. Key Components

The Government affirms that quality improvement will receive the highest priority in the FCUBE initiative. All activities under the Programme will cover a 10-year period from 1996-2005, and will be implemented in two 5-year phases. This initiative is the sole programme for basic education improvement in Ghana, and will embrace all current and future activities supported from national and external funding sources. The Programme is composed of three components which will be implemented in a comprehensive and carefully integrated fashion.

1. Improving the Quality of Teaching and Learning

The pedagogical improvement component will promote effective teaching by enhancing specific teaching skills through pre-service and mainly school-based in-service training programmes, and by improving teacher morale and motivating staff through a teacher incentive programme. Improvement in the quality of learning and student performance will be promoted through curriculum review and adaptation; the reprinting of existing and production of new learning materials, syllabuses and teachers handbooks; and the regular assessment of pupil performance to inform teachers, parents and pupils themselves of their progress and to provide objective measures to evaluate basic education.

Key elements include:

- a) Strengthening capabilities in curriculum and learning materials development, procurement, distribution and resupply;
- b) Ensuring that the curriculum is pedagogically sound, relevant and implementable in all basic schools;
- c) Designing and implementing a cost-effective textbook production and distribution system that will ensure universal coverage of texts in all subjects and grades for every student;

- d) Introducing low-cost teacher training and pupil instruction arrangements using distance education technology.
- e) Restructuring both pre- and in-service teacher training and insisting on higher standards of teacher certification, including more emphasis on classroom-based experiences;

2. Improving Management Efficiency

The overall objective of this component is to improve both the efficiency and effectiveness of the Ministry of Education (MOE) and the Ghana Education Service (GES) through managerial reform. In order to ensure that new and existing resource investments are wisely allocated and effectively utilised, activities will be focused on bringing greater discretion, discipline and accountability to schools, thereby increasing teaching effectiveness. The component will also increase the timeliness, accuracy and relevancy of data to be used for monitoring performance at the district and school levels. There will be targeted interventions to improve instruction and student achievement and to achieve a more rational and equitable allocation of resources for infrastructure, materials, and personnel.

This component will be implemented in three stages which, although conceptually distinct, in practice will overlap.

Key elements include:

- a) Redesigning management structures which suit the roles and responsibilities of the MOE and the GES at headquarters, regional and district levels and which provide for appropriate delegation on operational matters;
- b) Improving mechanisms for monitoring performance at the district and school levels and performance standards and targets for all agencies linked to the strategic goals of FCUBE;
- c) Installing an Education Management Information System (EMIS) to collect, analyse, process and report educational data for planning, decision making and monitoring purposes;
- d) Strengthening personnel management practices which motivate individuals, groups and departments throughout the system towards achieving better performances;

- e) Upgrading financial management systems developed which improve budgeting and financial control and generate information to support the delegation of budgetary responsibility; and
- f) Staffing organisation structures at all levels with appropriately trained and qualified managers and having adequate discretionary budgets in place to ensure that the financial resources available can make significant impact on the quality of education.

3. Improving Access and Participation

The quantitative expansion and enhanced participation component will promote wider coverage of basic education services by applying selection criteria for building new schools; replacing schools with poor infrastructure; expanding overcrowded schools; rehabilitating school physical infrastructure; providing houses for additional teachers; and by developing alternative delivery mechanisms. Measures to increase demand for basic education will receive special attention. Girls, poor and rural children will be targeted. FCUBE will use a variety of approaches to increase access to schooling by girls and under-represented groups including infrastructural development and rehabilitation. Options include: the provision of scholarships; incentives for female teachers and teachers in remote areas; a pilot scheme to enable rural communities to hire local teachers; an emphasis on gender equity and sensitivity in materials and in training programmes; and the use of Participatory Learning Appraisal methodologies in selected regions to encourage community involvement in and understanding of the need for schooling. On the supply side, MOE will first examine and rationalise the use of existing resources. The challenge of meeting the increased demand for facilities and services will be tackled from two perspectives: using existing school facilities to maximum effectiveness; and targeting new infrastructure to those places where careful investigation has shown there to be most benefit in providing increased access.

Key elements include:

- a) Strengthening School Management Committees;
- b) Improving mechanisms for consultation with District Assembly committees on education to ensure the appropriate allocation of funds to basic education, and its deployment in an equitable manner;
- c) Enhancing the system for stakeholder consultation to provide feedback on progress towards programme goals;
- d) Operating a school improvement fund which will be directly accessible to schools; and

- e) a social marketing campaign to promote education, including an emphasis on the benefits of girls education.

III FINANCING POLICIES

The Government will continue to provide at least the same percentage of the discretionary recurrent budget to education sector each year during 1996-2000 as it has provided over the past five years. Within the education sector, allocation to basic education sub-sector will be maintained at the present level, although the distribution between primary and junior secondary levels will change over time.

The Government's FCUBE financing plan is the key reference document for national resource mobilization and its effective use for BE. The plan entails various quantitative "floor level targets" which were summarised in the table below. Actual resources mobilized and spent, as well as the policy targets will be monitored regularly, and possible adjustments will be discussed at regular review meetings of the financing partners.

Implementation of FCUBE, in particular through improving personnel, education performance and financial management, will generate efficiency gains that will result in savings in the budget. An understanding has been reached between the Ministries of Finance and Education that MOE will implement the financial management strategies outlined in its policy document to ensure sound financial practices. This will allow MOE to re-allocate the approved budget within the recurrent and capital/development activities respectively.

For the quality of basic education to be assured, the number of teaching staff will need to be increased as enrollments grow. The Government will make every effort to ensure that total number of staff and overall salary expenditure for the Ghana Education Service (GES) staff will be consistent with the FCUBE financing plan and national public sector salary guidelines. The ratio between the number of teachers in schools and GES administrative staff in the system as a whole (including GES staff in administrative posts) is presently 4.8:1. This figure will be monitored so that the overhead cost of administration will be reduced by shifting the balance in favor of teachers in the classroom.

Provision and maintenance of school facilities are the responsibility of local government. Apart from earmarked external aid support and the nationally provided District Assembly Common Fund (DACF), resources are mobilized at the district and school levels but are far from adequate. The Government will encourage district authorities to increase the proportion of spending from DACF for basic education steadily not only to the present guideline figure of 10% but even beyond. Levies collected at the district and school levels must accord with the MOE guidelines. The Government will undertake to delegate progressively financial management discretion to designated districts having viable education plans and administrative systems, and will consider compensatory measures

where districts still face financial problems even after making an adequate fiscal effort.

The Government maintains its policy that tuition for basic education is free for children and parents/guardians. However, for the attainment of FCUBE objectives, and for securing a heightened commitment and sense of community ownership of schools, it is necessary that beneficiaries of basic education services continue to contribute to direct and indirect costs other than tuition.

As part of the FCUBE objectives, target enrolments in private schools will increase from the present 10.7% for the primary level to 14% by 2000 and 16% by 2005, and from 3.0% for the junior secondary level to 6.6% by 2000 and 16% by 2005. For the time being, Government will continue the present policy of providing the textbooks and some teachers to private schools. Meanwhile, there will be a study on appropriate measures to subsidise the private sector, considering the implementation for financial sustainability of the education system as a whole.

Basic Education Sector Performance Monitoring Indicators Phase 1: 1996-2000

	Midterm (Jul. 1998)	Dec. 2000
Financial Commitment and Sustainability¹		
Share of MOE/GOG budget	38.8% (min.)	38.8% (min.)
Share of Basic Educ. (BE)/MOE budget	65%	65%
Annual real increase in BE non-salary spending	10%	10%
Annual growth rate of average GES staff salary	2% (max.)	2% (max.)
Average per pupil MOE spending by district	t.b.m.	t.b.m.
Average district spending from DACF on basic educ.	10.5%	15.0%
Enhanced Quality of Teaching and Learning		
Student Achievement (CRT)	t.b.m.	t.b.m.
Teacher absenteeism (year-on-year improvement)	t.b.m.	t.b.m.
Pupil/textbook ratio, core subjects, Primary & JS	2:1	2:1
Pupil/teacher ratio, P&JS	P: 29.7 JS: 24.8	P: 31.5 JS: 26.1
Management for Efficiency		
Number of teachers in public schools ² , P&JS	P: 75177 JS: 32358	P: 80218 JS: 33206
Number of administrative staff as % of above	t.b.m.	t.b.m.
Number of SMC established (% of # of schools)	40%	70%
Number of DEOC established (% of # of districts)	60%	100%
Number of districts with financial authority	t.b.m.	t.b.m.

Improving Access and Participation		
Gross Enrollment Ratio (public plus private)	P: 77.8%	P: 82.6%
	JS: 66.6%	JS: 67.5%
Public enrollment	P: 2233000	P: 2322400
	JS: 801200	JS: 865800
Private enrollment	P: 298000	P: 357200
	JS: 99200	JS: 111000
Girls' share in the total enrollment	t.b.m.	t.b.m.
Primary 1 intake rate (public plus private)	87.4%	94.0%
BE1 repetition (public)	4.0%	3.2%
BE1 dropout (public)	3.6%	2.9%
BE6 repetition (public)	1.8%	1.5%
BE6-7 progression (public)	95.9%	96.7%
Basic education completion rates (BE1-6 and 7-9)	t.b.m.	t.b.m.

t.b.m. : to be monitored.

1/ Assuming 3% annual increase in real terms in recurrent budget.

2/ Numbers of teachers are set taking into account the target enrollments and pupil teacher ratios

IV. COLLABORATION AND COMMITMENT

To be successful, the effort will depend heavily upon collaboration among a number of agencies and groups. Fundamentally, BE is, and must be, a locally supported activity. District officials, school heads, teachers, parents and students will share the largest burden for the successful implementation of this effort and they will enjoy the greatest benefits. Since 1987, the Government has received approximately US\$400 million in education loans, grants and sector credits from international funding agencies. Annualised, funding agency contributions has constituted 9 percent of the overall education budget and 15 percent of basic education expenditures.

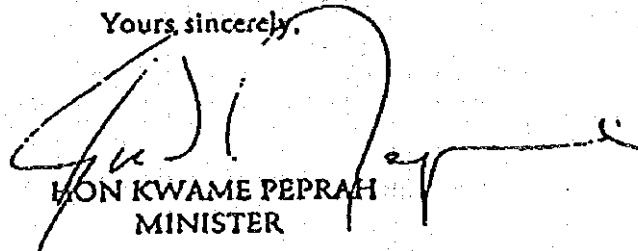
The Government has received assurances that the following lending/donor agencies are prepared to support, both fiscally and technically, the implementation of FCUBE: World Bank (IDA), African Development Bank, UNICEF, USAID, ODA (UK), GTZ/ KfW, EU and JICA. The contribution of both local and international NGOs, whose positive roles in social mobilisation are well acknowledged, will also enhance the achievement of the FCUBE goals.

A joint MOE-donor forum was set up in 1994 to facilitate preparation of a sub-sector investment programme in support of achieving free, compulsory and universal basic education within a ten-year time frame. The strategic framework and the components of the key goal areas incorporated in the FCUBE Programme document and the Operational Rolling Plan are the outcomes of intensive analysis carried out by the joint forum. It has

been agreed among MOE and funding agencies that FCUBE will: cover the entire primary and junior secondary sub-sectors including all on-going and planned additional activities; be implemented within the agreed strategic framework; and be used by MOE to co-ordinate all donor support which must be deployed within the parameters of the programme framework and the rolling plan.

In the final analysis, the success of this initiative will be a function of the willingness and ability of diverse groups to work together to mobilise resources, refine policies, plan rationally and efficiently, implement effectively and evaluate with rigour and insight. All of these skills are necessary goals we have set. The Government is confident that with collaboration and commitment from our partners in this Programme, the benefits FCUBE will be realised progressively over the next decade.

Yours sincerely,



HON KWAME PEPRAH
MINISTER

REPUBLIC OF GHANA
BASIC EDUCATION SECTOR IMPROVEMENT PROGRAM

Program Performance Monitoring Indicators Phase 1: 1996-2000

	Base Year (most recent)	Midterm (Jul 1998)	Dec. 2000
Financial Commitment and Sustainability^{1/}			
Share of MOE/GOG budget	38.5% (1995)	38.8% (min.)	38.8% (min.)
Share of Basic Educ. (BE)/MOE budget	64.5% (1995)	65%	65%
Annual real increase in BE non-salary spending		10%	10%
Annual growth rate of average GES staff salary		2% (max.)	2% (max.)
Average per pupil MOE spending by district		t.b.m.	t.b.m.
Average district spending from District Assembly Common Fund on basic educ.	7.3% (1994)	10.5%	15.0%
Enhanced Quality of Teaching and Learning			
Student Achievement (Criterion Referenced Test)		t.b.m.	t.b.m.
Teacher absenteeism (year-on-year improvement)		t.b.m.	t.b.m.
Pupil/textbook ratio, core subjects		2:1	2:1
Pupil/teacher ratio, Primary & Junior Secondary	P: 30.7 (1994) JS: 21.6 (1994)	P: 29.7 JS: 24.8	P: 31.5 JS: 26.1
Management for Efficiency			
Number of teachers in public schools ^{2/} , P&JS	P: 62608 (1994) JS: 30580 (1994)	P: 75177 JS: 32358	P: 80218 JS: 33206
Number of administrative staff as % of above		t.b.m.	t.b.m.
Number of School Management Committee established (% of # of schools)		40%	70%
Number of District Education Oversight Committee established (% of # of districts)		60%	100%
Number of districts with financial authority		t.b.m.	t.b.m.
Improving Access and Participation			
Gross Enrollment Ratio (public plus private)	P: 76.0% (1994) JS: 58.7% (1994)	P: 77.8% JS: 66.6%	P: 82.6% JS: 67.5%
Public enrollment	P: 1920803 (1994) JS: 659853 (1994)	P: 2233000 JS: 801200	P: 2524400 JS: 865800
Private enrollment	P: 233843 (1994) JS: 30707 (1994)	P: 298000 JS: 99200	P: 357200 JS: 111000
Girls' share in the total enrollment	P: 46.8% (1994) JS: 43.1% (1994)	t.b.m.	t.b.m.
Primary 1 intake rate (public plus private)	82.5% (1994)	87.4%	94.0%
Basic Education grade 1 (BE1) repetition (public)	5.5% (1994)	4.0%	3.2%
BE1 dropout (public)	4.9% (1994)	3.6%	2.9%
BE6 repetition (public)	2.5% (1994)	1.8%	1.5%
BE6-7 progression (public)	94.5% (1994)	95.9%	96.7%
Basic education completion rates (BE1-6 and 7-9)	BE1-6: 75.4% (1994) BE7-9: 82.4% (1994)	t.b.m.	t.b.m.

t.b.m. : to be monitored.

1/ Assuming 5% annual increase in real terms in recurrent budget.

2/ Numbers of teachers are set taking into account the target enrollments and pupil teacher ratios.

COMPONENT	ACTIVITY	Q1/96	Q2/96	Q3/96	Q4/96	Q1/97	Q2/97	Q3/97	Q4/97	Q1/98	Q2/98	Q3/98	Q4/98	1999	2000
1. ENHANCED QUALITY OF TEACHING/LEARNING															
A In-Service Training of Education Personnel	A1 Headteachers' Training	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	A2 Teachers' Training	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	A3 Training of DDEs and CSS	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	A4 District/Community Leaders	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	A5 MOE/GES Planning/Mgmt	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	A6 Needs Assessment	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	A7 Distance Learning Study	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	A8 Impact Evaluation	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
B Pre-Service Teachers' Training	B1 TTC Study	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	B2 Strengthen UCEW and UCC	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	B3 Rehabilitation of Selected TTCs	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	B4 Redesign Pre-Service Programs	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	B5 Training TTC Tutors	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	B6 Study of Alternative Delivery	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	B7 Impact Evaluation	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
C Assessment/Evaluation of Student Performance	C1 Revise CRT to Reflect New Curt.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	C2 Develop/Prepare Test Material	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	C3 Test Administration	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	C4 Analysis/Report Dissemination	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
D Provision of Instructional Materials	D1 Reprint Existing Textbooks	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	D2 Distribute Reprints to Schools	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	D3 Procure New Textbooks	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	D4 Distribute New Textbooks to Sch	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	D5 Procure/Distribute Sch Supplies	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	D6 Procure/Dist Library Books	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	D7 Storage Facilities in Schools	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
E Curriculum Review and Development	E1 Curriculum Review	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	E2 Gender Review (TA)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	E3 Syllabus Writing	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	E4 Write/Trial Textbooks	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	E5 Strengthen CRDD	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

COMPONENT	ACTIVITY	Q1/96	Q2/96	Q3/96	Q4/96	Q1/97	Q2/97	Q3/97	Q4/97	Q1/98	Q2/98	Q3/98	Q4/98	1999	2000
2. MANAGEMENT FOR EFFICIENCY															
A Institutional/ Organizational Analysis & Change	A1 Organization Analysis/Design														
	A2 MOE/GES-DA Relations														
	A3 Personnel Audit/Manpower Plan														
	A4 Reform Mgt Unit Training														
	A5 Selection Training of Sr. Mgrs														
	A6 Change Mgt Workshops														
	A7 School Mgt. Committees														
	A8 Mgt/Supervisory Training														
	A9 Implementation Review														
B Staffing & Personnel Mgt	B1 Job Description Preparation														
	B2 Personnel Operations														
	B3 Appoint/Redeploy Mgrs/Staff/HT														
	B4 Redeploy Teachers														
	B5 Job Grading & Pay Structures														
	B6 Motivation/Incentive Schemes														
	B7 Personnel Policies/Procedures														
	B8 Mgt/Personnel Staff Training														
C Performance Management	C1 Information Management Review														
	C2 Monitoring & Control System														
	C3 EMIS Design														
	C4 Performance Appraisal System														
	C5 Procure/Install Hardware/Software														
	C6 Mgt/Systems Staff Training														
D Budgeting & Financial Management	D1 Resource Allocation Formula														
	D2 Accounting Systems Review														
	D3 PUF/MARP Relationship														
	D4 Accounting Systems Design														
	D5 Manuals/Financial Directives														
	D6 Procure/Install Hardware/Software														
	D7 Mgt/Accounts Staff Training														
E District Capacity Building	E1 DA Capacity Review														
	E2 GES TA to District Assemblies														
	E3 Performance Monitoring														

COMPONENT	ACTIVITY	Q1/96	Q2/96	Q3/96	Q4/96	Q1/97	Q2/97	Q3/97	Q4/97	Q1/98	Q2/98	Q3/98	Q4/98	1999	2000
3. IMPROVING ACCESS AND PARTICIPATION															
A. Infrastructure Development/Maintenance	A1 Review Selection Criteria														
	A2 Selection/Field Verification														
	A3 Issue Maintenance Policy														
	A4 Design/Bidding/Contract														
	A5 Construction														
	A6 Monitoring & Evaluation														
B. Increasing Girls' Participation	B1 Pilot PLA Study of Districts														
	B2 Review Selection Criteria														
	B3 Develop Targeted Imp Plan														
	B4 Implementation														
	B5 Monitoring & Evaluation														
	B6 Study of Scholarship Schemes														
	B7 Adaptation of STME to Basic														
C. Schooling Improvement Fund (SIF)	C1 Pilot Phase														
	C2 Evaluation of Pilot														
	C3 Selection Criteria: 2nd Phase														
	C4 Implementation: 2nd Phase														
	C5 Monitoring/Evaluation: 2nd Phase														
	C6 Selection Criteria: 3rd Phase														
	C7 Implementation: 3rd Phase														
	C8 Monitoring and Evaluation														
D. IEC	D1 Design IEC Strategy and Plan														
	D2 Develop Materials and Testing														
	D3 Dissemination of Messages														
	D4 Build Institutional Capacity														
	D5 Impact Evaluation														

GHANA BASIC EDUCATION SECTOR IMPROVEMENT CREDIT
Key Areas of Technical Assistance

1. Technical assistance will be necessary to help design and implement the Betterment Activities under the Government's FCUBE program. These include:

- redesign of pre-service teachers' training programs;
- assessment and review of in-service training programs;
- development of tests to assess and evaluate student performance;
- study on sustainable provision of instructional materials;
- curriculum review and development;
- analysis and design of MOE/GES structure;
- manpower planning;
- design personnel policies/procedures and motivation strategy;
- design and implement EMIS;
- design and implement personnel performance appraisal system;
- review and design budgeting and accounting system;
- develop strategy and targeted plans to increase girls' participation;
- develop, implement and evaluate Schooling Improvement Fund scheme; and
- develop strategy and implementation plan for IEC.

2. Local expertise where available will be used to help carry out the activities listed above. In all cases where foreign expertise is considered necessary, it is envisaged that internationally recruited consultants will work with local consulting teams and MOE staff to ensure technology transfer. Training will be provided as part of the technical assistance to MOE/GES staff and district education personnel to ensure effective implementation and sustainable operation of the systems designed.

3. A large part of the technical assistance listed above are being financed under the ongoing Primary School Development Project (PSDP) and some will be financed by other donor agencies. The terms of reference for these consultancy assignments will be included in the FCUBE Operational Rolling Plan. Terms of reference for technical assistance to be financed under the Basic Education Sector Improvement Credit (BESIC), which is expected to be implemented at a later stage, will be prepared as the FCUBE program develops over the next two years.

REPUBLIC OF GHANA
BASIC EDUCATION SECTOR IMPROVEMENT PROGRAM
Supervision Plan

Supervision of implementation will be conducted (i) under the direction of the Program Coordinator (MOE/GES) reporting to the IOC; and (ii) by the World Bank Task Management Team, in collaboration with GOG and other funding partners.

- I. Routine MOE/GES supervision will include initial review:
 - (a) prior to forwarding to IDA for "no objection" of:
 - i. Procurement documents
 - ii. Disbursement requests
 - iii. Special accounts expenditures/reimbursements and statements of expenses (SOEs)
 - (b) monthly financial statements
 - (c) arranging for annual audits of project accounts and SOEs

- II. Periodic MOE/GES supervision will involve:
 - (a) updating the rolling implementation plan
 - (b) preparing progress reports on project implementation
 - (c) monitoring key performance indicators
 - (d) liaising with the World Bank Field Office and IDA supervision missions

- III. Bank staff will spend an estimated 6 staff-weeks per annum on average at headquarters and the Resident Mission reviewing and commenting on procurement documents and disbursement requests; and a further 4 staff-weeks per annum over the course of project execution for desk work relating to progress reports and audited accounts (total of 40 s.w. for the life of the Credit).

In addition, there will be field supervision (as set out below). Semi-annual reviews of program performance will be undertaken by GOG, IDA and participating donors in January/February and in June/July; the Consultative Panel (CP) Meeting for 1998 will be enhanced to become the MTR. TOR will be prepared jointly by CP members at least two months prior to the review date. The Jan/Feb review will focus mainly on the performance of the preceding year and the Jun/Jul review on finalizing operational plans and financial commitments for the coming year. The MTR will assess physical, institutional and financial progress of the first 2 years of project implementation as measured against agreed targets. Based on the MTR, the program will be adjusted to be consistent with the targets in the light of experience and changing circumstances.

IDA Supervision Input - Through To Mid Term Review

Approximate Date	Activity	Staffing	Staff Weeks
10/96	IDA Credit Effectiveness Workshop (blending into ongoing prog. of activities)	Task Management Team (x3)* Education Specialist Textbook Specialist Organis. Dev./Managem. Specialist Architect/Implementation Specialist	10
2/97	Supervision Mission	Management Team (x2) Comm. Dev./Participation Specialist Financial Analyst	8
7/97	Annual Review (Meeting of Consultative Panel)	Task Management Team (x3) Organis. Dev./Managem. Specialist Curriculum Specialist Architect/Implementation Spec. Financial Analyst	10
10/97	Supervision Mission	Task Management Team (x3) Financial Analyst	5
2/98	Supervision Mission	Task Management Team (x3) Comm. Dev./Participation Specialist	5
7/98	Mid-Term Review (Meeting of Consultative Panel)	Task Management Team (x3) Disbursement Officer Procurement Specialist Education Specialist Organis. Dev./Management Spec. Comm. Dev./Participation Specialist Architect/Implementation Spec.	12

- Notes:
1. All missions/reviews will be coordinated with similar activities by other external funding agencies
 2. (*) Task Management Team includes Educational, Financial Analysis and Implementation expertise (Team composition will depend on the TOR for a particular mission)
 3. Field Supervision through to: MTR = 50 s.w.; End of Credit = 80 s.w.

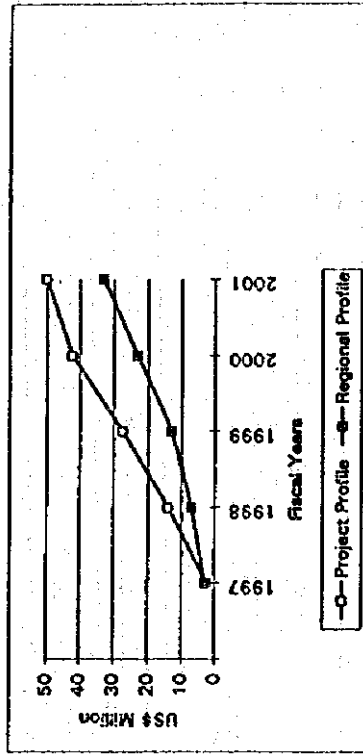
REPUBLIC OF GHANA
BASIC EDUCATION SECTOR IMPROVEMENT CREDIT
PROCUREMENT AND DISBURSEMENT SCHEDULES

1. Procurement Implementation Schedule
Estimated Annual Contractual and Other Payments (US\$ million equiv.)

Project Activity	Pre-Project	Project Year					Total Payment	Remarks
		FY97	FY98	FY99	FY00	FY01		
Credit Timing								
Signing	x							
Effectiveness	x							
Closing						x		
Activities by Category								
1. Civil Works		0.03	1.61	3.29	4.65	2.92	12.70	ICB/NCB
Selection Criteria	xx	x	x	x	x			
Prequal/Bid/Award	xxxx	x	x	x	x			
Construction		xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	xxxxxxxx		
2. Goods		1.11	5.13	1.10	1.23	61.00	9.17	
2.1 Roofing sheets		0.31	0.62	0.80	0.89	0.50	3.20	ICB/NCB
Bid/Award	xxxx	x	x	x				
Delivery		xx	xx	xx	xx	x		
2.2 Instructional materials		0.77	4.36	0.07	0.01	0.00	5.22	ICB/NCB/Other
Bid/Award	xxxxxx	xx	xx					
Delivery		xx	xxxxxxxxxx	xx	x			
2.3 Vehicles/Equipment		0.03	0.14	0.23	0.23	0.12	0.76	ICB/Other
Bid/Award	xx	xx	xx					
Delivery		xx	xxx	xx	xx	xx		
3. Training		0.71	2.78	3.97	3.16	1.72	12.33	Other
3.1 Overseas training		0.00	0.30	0.20	0.10	0.10	0.70	Other
Implementation			xxxx	xx	xx	x		
3.2 Local training/workshops		0.71	2.48	3.77	3.06	1.62	11.63	Other
Implementation		xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxx		
4. Consultancies		0.21	0.47	0.69	0.55	0.25	2.18	Other
Bid/Award	x	xx	xx	xx	xx			
Implementation		xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxx		
5. Operating Costs		0.48	0.77	1.40	1.20	0.36	4.23	Other
5.1 Personnel redeployment		0.26	0.65	1.04	0.65		2.60	
Implementation		xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xx		
5.2 Field visits(mon/eval)		0.22	0.12	0.36	0.55	0.36	1.61	
Implementation		xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxx		
6. Unallocated		0.00	0.91	2.78	3.78	1.91	9.40	Other
Implementation			xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx	xxxxxxxxxx		
Total BESIC-financed		2.50	11.70	13.30	14.80	7.80	50.00	

Disbursement Profile

IDA Fiscal Years and Semesters	Disbursements		Profile	
	By Semester (US\$ Million)	Cumulative (US\$ Million)	Project (%)	Regional Sector Profile (%)
1997	1	1.25	1.25	0.0%
	2	1.25	2.5	6.0%
1998	1	6.0	8.5	10.0%
	2	6.7	14.2	14.0%
1999	1	6.3	20.5	22.0%
	2	7.0	27.5	26.0%
2000	1	7.0	34.5	38.0%
	2	7.8	42.3	48.0%
2001	1	3.9	46.2	56.0%
	2	3.8	50.0	60.0%
2002	1			74.0%
	2			86.0%
2003	1			90.0%
	2			94.0%
2004	1			98.0%
	2			100.0%



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MINISTRY OF EDUCATION
BASIC EDUCATION SECTOR IMPROVEMENT PROGRAMME
DISTRICT EDUCATION OVERSIGHT COMMITTEE
ESTABLISHMENT AGREEMENT

This Agreement made this day of One Thousand, Nine Hundred and Ninety Six (1996) between the Ministry of Education, Accra Ghana and the District Authority represented jointly by the District Chief Executive, the Presiding Member of the District Assembly and the District Director of Education.

Whereas the Government of Ghana has entered into an agreement with the International Development Association (IDA) and other Donors to extend Credits to support its Basic Education Sector Improvement Programme (BESIP) to enable her fulfil her constitutional obligation of providing Free Compulsory Universal Basic Education for all Ghanaian children of school going-age by the year 2005.

Whereas Section 9, sub-section 2 of The Ghana Education Service Act 1994 provides for the appointment in every district of a District Education Oversight Committee, by the Ghana Education Service Council.

Whereas the functions of the said District Education Oversight Committee, as specified in Sub-section 3 of Section 9 of the GES Act 1994, shall be concerned with the oversight of:

1. Conditions of school buildings and other infrastructural requirements of the schools
2. The provisions of teachers and the regular and punctual attendance of teachers and pupils at the schools
3. The proper performance of duties by staff at the schools
4. The moral behaviour of staff of the schools towards pupils
5. Complaints relating to or from teachers and pupils

6. The environmental cleanliness of schools and facilities therein; and
7. The supply of textbooks and other teaching and learning materials,

Whereas the Central Government has decided to transfer into the District Assemblies Common Fund part of its annual budgetary allocation for development expenditure on Education, to be used at the district level exclusively for educational projects. Now the Ministry of Education and the District Authority agree as follows:

- i) The District Authority shall ensure that a District Education Oversight Committee, as specified in Section 9, subsections 2 and 3 of the Ghana Education Service Act, 1994, is established and given the means to perform effectively the functions assigned to it by law, by March 1996.
- ii) The District Authority shall ensure that funds sent to the district for educational projects and programmes are used exclusively for the purpose for which the funds were released.
- iii) The District Authority shall ensure, in collaboration with the District Assembly, that existing laws on Compulsory Basic Education are enforced in the district.
- iv) In support of (iii) above, the District Authority shall organise annual in the months of August, September campaigns for enrolment in BSI and ensure that particular attention is given to increasing female participation in Basic Education.
- v) The District Authority shall ensure that scholarship schemes instituted by the District either for academic excellence or to assist pupils students from poor homes are so designed as to ensure gender parity among the beneficiaries.
- iiiv) The Ministry of Education shall monitor closely the performance of the District Education Oversight Committee and shall provide the committee with a double cabin pickup as incentive to intensify its monitoring activities, when the Ministry is satisfied that the Committee has been performing its functions satisfactorily consistent improvement in the CTR results of P6 pupils in the District over 3

consecutive years shall be the measure for performance.

In witness whereof the parties hereto have hereunto set our hands
and day and year first written herein

.....
**For and on behalf of the Ministry
of Education.**

In the presence of

NAME:.....

SIGNATURE:.....

FOR AND ON BEHALF OF THE DISTRICT AUTHORITY

1. NAME:

SIGNATURE:.....
DISTRICT CHIEF EXECUTIVE

2 NAME:

SIGNATURE:.....
PRESIDING MEMBER

3. NAME:

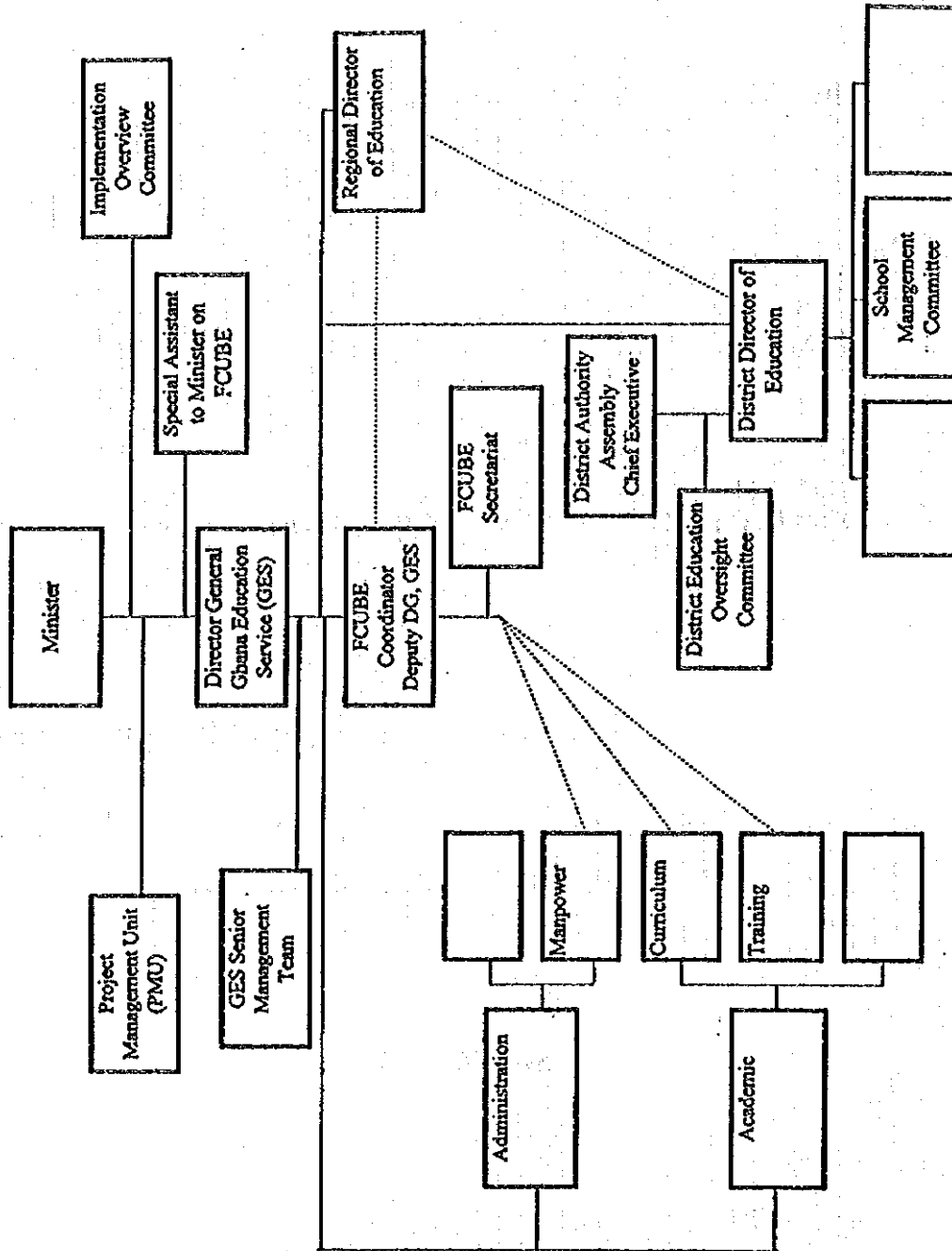
SIGNATURE:.....
DISTRICT DIRECTOR OF EDUCATION

In the presence of Member of Parliament

NAME:.....

SIGNATURE.....

Proposed FCUBE Organization Structure



Note: Blank boxes represent other functional units at this level.

**PROPOSED MANAGEMENT ROLES, RELATIONSHIPS BETWEEN KEY BODIES
AND PRIORITIES FOR INSTITUTIONAL STRENGTHENING**

A. ROLES

MOE

- (a) formulating educational policies, determining sectoral resource allocation and approving operational objectives for implementation;
- (b) organizing educational management information system;
- (c) monitoring and evaluating the performance of the education system

GES National

- (a) setting out financial regulations;
- (b) providing support for district budgeting and determining allocation of financial resource allocation to districts;
- (c) formulation of standards and norms as well as discipline of the educational service;
- (d) developing curricula and syllabi, purchasing and distributing textbooks;
- (e) managing technical/vocational education;
- (f) managing external training.

GES Regional

- (a) providing advice and training for district offices
- (b) monitoring and evaluating district offices

GES District

- (a) staff recruitment, development and discipline
- (b) data collection and analysis
- (c) preparation and execution of budgets
- (d) distribution and monitoring of educational materials to schools
- (e) academic and pedagogical advice to teachers
- (f) opening of new BS1-6 schools
- (g) supervision of schools and assessment of pupil/teacher performance
- (h) ensuring information is transmitted between community and district office

B. RELATIONSHIPS

MOE-GES

With establishment of Council MOE to have performance agreement with GES specifying service to be provided. MOE will monitor and evaluate on this basis.

GES National - District
Managerial and supervisory

GES Regional - District
Coordination to ensure district plans are prepared and implemented
Monitoring
Supporting service (collegial relationship)

ANNEX 8
Management Roles and Relationships

DEO-District Assembly

Coordination on infrastructure plans and recurrent/capital budget preparation
DA supervises and DDE provides information as advisor to DA

District Education Offices-Schools

Managerial, supervisory, coordinating, monitoring, evaluating, advisory and schools

District Education Oversight Committees-School Management Committees

Supervisory and advisory
DEOCs support operation of SMCs

C. FUNCTIONS TO BE STRENGTHENED

(Highest priorities in order)

MOE

1. Information analysis and processing
2. Policy formulation
3. Priority setting

GES National & Regional

1. Development, selection, purchasing and distribution of materials, equipment and textbooks
2. Developing manpower plans/developing staffing standards or norms
3. Monitoring and coordinating

GES District

1. Inspection, supervision and discipline
2. Staff recruitment, development, in-service teacher training
3. Financial management

**REPUBLIC OF GHANA
BASIC EDUCATION SECTOR IMPROVEMENT PROGRAM**

List of Key Source Documents in Project Files

Ministry of Education

1. (Draft) Operational Plan: (CUBE Program, February 1996.
2. The Program for Free Compulsory and Universal Basic Education (FCUBE) by the Year 2005, February 1996.
3. Basic Education Sector Assessment School Review: Curriculum, Instruction and Teachers-Report on Teacher Training Colleges, June 1995.
4. Enrollment Projections for FCUBE, September 1995.
5. Quality Assurance and School-level Management: A Review of Education Management System in Ghana (draft). MOE/USAID (Nana Asare-Bediako, et al). June 1995.
6. A Tale of Two Ghanas: The View from the Classroom (draft). MOE/USAID, June, 1995.
7. Ghana Education Service Bill, April 28, 1995.
8. Program for the Provision of Free, Compulsory and Universal Basic Education by the Year 2005, December 1994. (A document presented to the Parliament)
9. Report on National Seminar on Girl's Education. June 1995
10. Report of Recommendations of the Curriculum Review Committee. CRDD, June 1994.
11. Towards Learning for All: Basic Education in Ghana to the Year 2000. April 1994.
12. PSDP: Report of the Ghana Education Service for the Mid-Term Review, October 1995.
13. Primary School Development Project: External Evaluation of Project Performance. November 18, 1995

Other GOG documents:

1. CSPIP Diagnostic Workshop at Ministry of Education, October 1995.
2. Ghana-Vision 2020: The First Step: 1996-2000. January 1995.
3. Rural Communities in Ghana. Ghana Statistical Service. October 1993.
4. Public Expenditure Review 1994. Ministry of Finance, May 1995.
5. Report of the Education Reforms Review Committee on Pre-tertiary Education, October 1995.

World Bank documents:

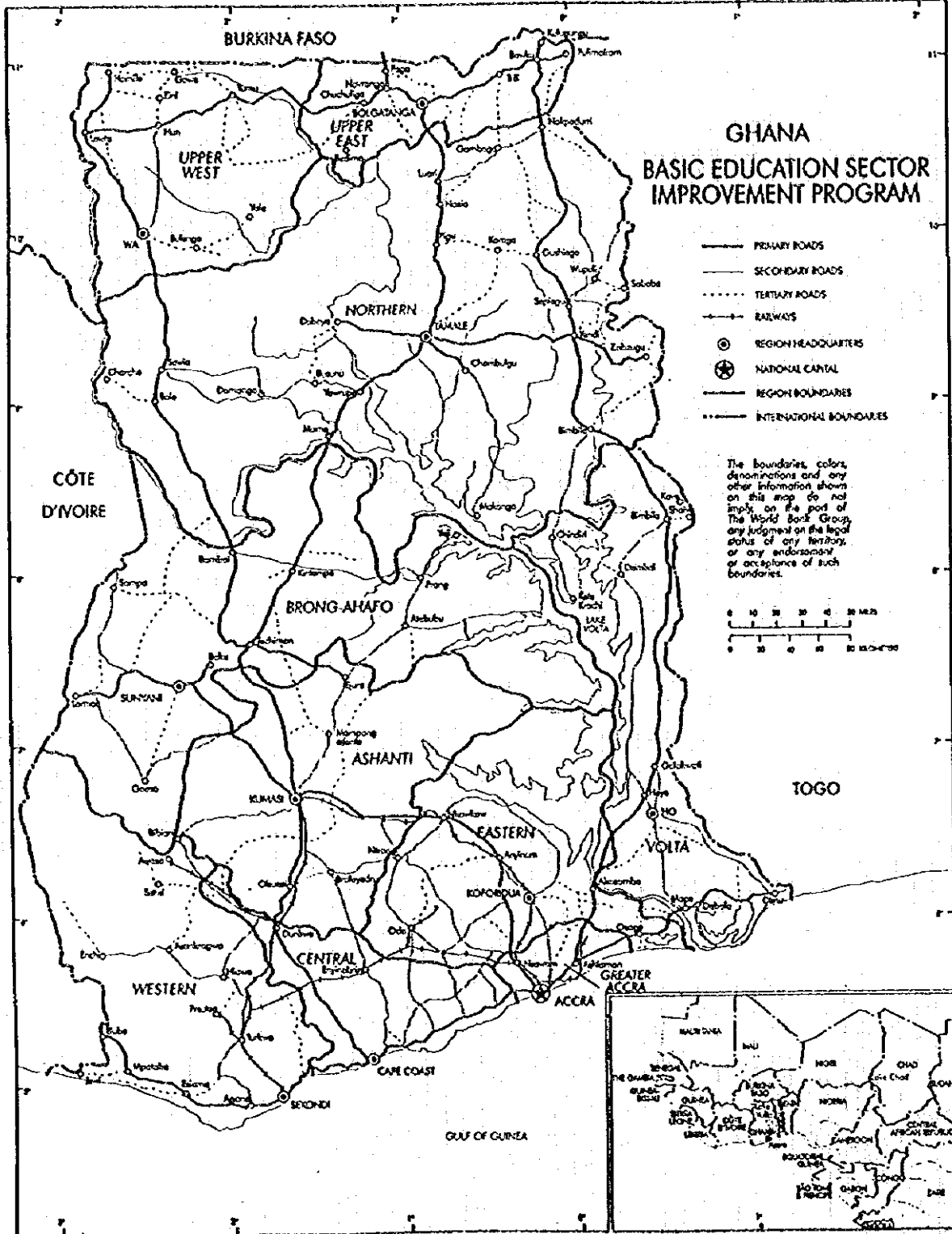
1. Ghana Poverty Past, Present and Future. June 29, 1995.
2. Performance Indicators in Bank-Financed Education Operations: Second Edition. HDD. November 1995.
3. Ghana Participatory Poverty Assessment: Synthesis Report (round 1&2) Norton, A. et al. December 1994.
4. The Economics of School Quality Investments in Developing Countries: An Empirical Study of Ghana. P. Glewwe, 1994.
5. Investing in all the people: Educating women in developing countries. Washington, D.C.: EDI (L. Summers) 1994.
6. Economic Evaluation of Education Projects: Selected Methods (a Working Draft) HDD (Jee-Peng Tan). October 1995.
7. Africa Region Draft Guidelines for Economic Analysis of Projects. AFRSA, September 27, 1995.
8. A Review of the Quality of Economic Analysis in Staff Appraisal Reports for Projects Approved in 1993. OED, May 5, 1995

9. A Program to Estimate the Rate of Return to Investment in Education. HCDVP, February, 1996.

Other Documents

1. Proposal for a Detailed Systems Study of the Performance of the Existing Educational Management Information System. Oct. 1995.
2. DAE with GES/Unicef. A Study of Teacher Motivation and Conditions of Services for Teachers in Ghana. March, 1995.
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MAP SECTION



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